

Editorial Notes**AMENDMENTS**

2016—Subsec. (a)(3). Pub. L. 114-255 substituted “subsections (c) and (d) of section 290aa-4 of this title” for “section 290aa-4 of this title”.

1992—Subsec. (a)(3). Pub. L. 102-352 substituted “section 290aa-4 of this title” for “section 290bb-21 of this title”.

Statutory Notes and Related Subsidiaries**EFFECTIVE DATE OF 1992 AMENDMENT**

Amendment by Pub. L. 102-352 effective immediately upon effectuation of amendment made by Pub. L. 102-321, see section 3(1) of Pub. L. 102-352, set out as a note under section 285n of this title.

§ 300x-54. Disposition of certain funds appropriated for allotments**(a) In general**

Amounts described in subsection (b) and available for a fiscal year pursuant to section 300x or 300x-21 of this title, as the case may be, shall be allotted by the Secretary and paid to the States receiving a grant under the program involved, other than any State referred to in subsection (b) with respect to such program. Such amounts shall be allotted in a manner equivalent to the manner in which the allotment under the program involved was determined.

(b) Specification of amounts

The amounts referred to in subsection (a) are any amounts that—

(1) are not paid to States under the program involved as a result of—

(A) the failure of any State to submit an application in accordance with the program;

(B) the failure of any State to prepare such application in compliance with the program; or

(C) any State informing the Secretary that the State does not intend to expend the full amount of the allotment made to the State under the program;

(2) are terminated, repaid, or offset under section 300x-55 of this title;

(3) in the case of the program established in section 300x of this title, are available as a result of reductions in allotments under such section pursuant to section 300x-1(d) or 300x-4(b) of this title; or

(4) in the case of the program established in section 300x-21 of this title, are available as a result of reductions in allotments under such section pursuant to section 300x-26 or 300x-30 of this title.

(July 1, 1944, ch. 373, title XIX, § 1944, as added Pub. L. 102-321, title II, § 203(a), July 10, 1992, 106 Stat. 404.)

§ 300x-55. Failure to comply with agreements**(a) Suspension or termination of payments**

Subject to subsection (e), if the Secretary determines that a State has materially failed to comply with the agreements or other conditions required for the receipt of a grant under the program involved, the Secretary may in whole or in part suspend payments under the grant, termi-

nate the grant for cause, or employ such other remedies (including the remedies provided for in subsections (b) and (c)) as may be legally available and appropriate in the circumstances involved.

(b) Repayment of payments**(1) In general**

Subject to subsection (e), the Secretary may require a State to repay with interest any payments received by the State under section 300x or 300x-21 of this title that the Secretary determines were not expended by the State in accordance with the agreements required under the program involved.

(2) Offset against payments

If a State fails to make a repayment required in paragraph (1), the Secretary may offset the amount of the repayment against the amount of any payment due to be paid to the State under the program involved.

(c) Withholding of payments**(1) In general**

Subject to subsections (e) and (g)(3), the Secretary may withhold payments due under section 300x or 300x-21 of this title if the Secretary determines that the State involved is not expending amounts received under the program involved in accordance with the agreements required under the program.

(2) Termination of withholding

The Secretary shall cease withholding payments from a State under paragraph (1) if the Secretary determines that there are reasonable assurances that the State will expend amounts received under the program involved in accordance with the agreements required under the program.

(d) Applicability of remedies to certain violations**(1) In general**

With respect to agreements or other conditions for receiving a grant under the program involved, in the case of the failure of a State to maintain material compliance with a condition referred to in paragraph (2), the provisions for noncompliance with the condition that are provided in the section establishing the condition shall apply in lieu of subsections (a) through (c) of this section.

(2) Relevant conditions

For purposes of paragraph (1):

(A) In the case of the program established in section 300x of this title, a condition referred to in this paragraph is the condition established in section 300x-1(d) of this title and the condition established in section 300x-4(b) of this title.

(B) In the case of the program established in section 300x-21 of this title, a condition referred to in this paragraph is the condition established in section 300x-26 of this title and the condition established in section 300x-30 of this title.

(e) Opportunity for hearing

Before taking action against a State under any of subsections (a) through (c) (or under a