

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

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

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

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

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

HISTORICAL AND REVISION NOTES

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

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

§ 6307. Interpretative guidelines and exemptions

The Director of the Office of Management and Budget may—

(1) issue supplementary interpretative guidelines to promote consistent and efficient use of procurement contracts, grant agreements, and cooperative agreements; and

(2) exempt a transaction or program of an executive agency from this chapter.

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

HISTORICAL AND REVISION NOTES

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

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

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

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

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

HISTORICAL AND REVISION NOTES

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

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

CHAPTER 65—INTERGOVERNMENTAL COOPERATION

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

AMENDMENTS

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

§ 6501. Definitions

In this chapter—

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

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

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

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

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

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

(i) the pattern and intensity of land use;

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

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

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

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

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

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

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

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

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

- (i) requires the State or local government to expend non-Government money as a condition of receiving money or property from the United States Government; or
- (ii) specifies directly, or establishes by means of a formula, the amount that may be provided to the State or local government, or the amount to be allotted for use in each State by the State, local government, and beneficiaries.

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

- (C) “grant” does not include—
- (i) shared revenue;
 - (ii) payment of taxes;
 - (iii) payment instead of taxes;
 - (iv) a loan or repayable advance;
 - (v) surplus property or surplus agricultural commodities provided as surplus property;
 - (vi) a payment under a research and development procurement contract or grant awarded directly and on similar terms to all qualifying organizations; or
 - (vii) a payment to a State or local government as complete reimbursement for costs incurred in paying benefits or providing services to persons entitled to them under a law of the United States.

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

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

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

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

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

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

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

HISTORICAL AND REVISION NOTES
1982 ACT

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

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

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

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

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

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

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

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

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

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

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

1983 ACT

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

REFERENCES IN TEXT

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

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

AMENDMENTS

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

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

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

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

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

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

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

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

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

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

EFFECTIVE DATE OF 1997 AMENDMENT

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

EFFECTIVE DATE OF 1983 AMENDMENT

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

SHORT TITLE OF 1992 AMENDMENT

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

SHORT TITLE OF 1990 AMENDMENT

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

PURPOSE OF 1990 ACT

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

§ 6502. Information on grants received

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

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

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

HISTORICAL AND REVISION NOTES

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

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

§ 6503. Intergovernmental financing

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

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

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

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

(2) An agreement under this subsection shall—

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

HISTORICAL AND REVISION NOTES

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

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

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

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

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

AMENDMENTS

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

EFFECTIVE DATE OF 1990 AMENDMENT

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

TREATMENT OF COMPENSATION OR REIMBURSEMENT PAID PURSUANT TO OTHER LAWS

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

AGREEMENTS WITH STATES

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

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

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

GAO REPORT

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

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

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

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

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

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

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

HISTORICAL AND REVISION NOTES

Table with 3 columns: Revised Section, Source (U.S. Code), Source (Statutes at Large). Row 1: 6504, 42:4214, Oct. 16, 1968, Pub. L. 90-577, §204, 82 Stat. 1101.

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

§ 6505. Authority to provide specialized or technical services

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

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

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

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

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

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

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

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

HISTORICAL AND REVISION NOTES

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

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

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

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

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

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

PERFORMANCE OF SPECIALIZED OR TECHNICAL SERVICES

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

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

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

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

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

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

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

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

"(d) ANNUAL REPORT TO CONGRESS.—

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

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

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

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

"(C) the status of the request;

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

"(E) the status of reimbursement;

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

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

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

TRANSPORTATION OF STATE PRISONERS

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

Similar provisions were contained in the following prior appropriation act:

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

§ 6506. Development assistance

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

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

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

(1) appropriate land uses for housing, commercial, industrial, governmental, institutional, and other purposes.

(2) wise development and conservation of all natural resources.

(3) balanced transportation systems, including highway, air, water, pedestrian, mass transit, and other means to move people and goods.

(4) adequate outdoor recreation and open space.

(5) protection of areas of unique natural beauty and historic and scientific interest.

(6) properly planned community facilities (including utilities for supplying power, water, and communications) for safely disposing of wastes, and for other purposes.

(7) concern for high standards of design.

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

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

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

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

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

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

HISTORICAL AND REVISION NOTES

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

RONALD REAGAN.

§ 6507. Congressional review of grant programs

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

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

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

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

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

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

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

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

HISTORICAL AND REVISION NOTES

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

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

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

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

§ 6508. Studies and reports

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

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

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

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

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

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

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

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

HISTORICAL AND REVISION NOTES

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

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

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

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

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

CHAPTER 67—FEDERAL PAYMENTS

Sec.	
6701.	Payments to local governments.
6702.	Local Government Fiscal Assistance Fund.
6703.	Qualification for payment.
6704.	State area allocations; allocations and payments to territorial governments.
6705.	Local government allocations.
6706.	Income gap multiplier.
6707.	State variation of local government allocations.
6708.	Adjustments of local government allocations.
6709.	Information used in allocation formulas.
6710.	Public participation.
6711.	Prohibited discrimination.
6712.	Discrimination proceedings.
6713.	Suspension and termination of payments in discrimination proceedings.
6714.	Compliance agreements.
6715.	Enforcement by the Attorney General of prohibitions on discrimination.

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

PRIOR PROVISIONS

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

§ 6701. Payments to local governments

(a) PAYMENT AND USE.—

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

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

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

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

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

(c) ADJUSTMENTS.—

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

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

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

(e) REPAYMENT OF UNEXPENDED AMOUNTS.—