

be expended for administrative expenses and shall be subject to the limitation specified in section 9907(b)(2) of this title.

(3) Definition

In this subsection, the term “controlled substance” has the meaning given the term in section 802 of title 21.

(b) Child support services and referrals

During each fiscal year for which an eligible entity receives a grant under section 9907 of this title, such entity shall—

(1) inform custodial parents in single-parent families that participate in programs, activities, or services carried out or provided under this chapter about the availability of child support services; and

(2) refer eligible parents to the child support offices of State and local governments.

(Pub. L. 97–35, title VI, §678G, as added Pub. L. 105–285, title II, §201, Oct. 27, 1998, 112 Stat. 2749.)

§ 9920. Operational rule

(a) Religious organizations included as nongovernmental providers

For any program carried out by the Federal Government, or by a State or local government under this chapter, the government shall consider, on the same basis as other nongovernmental organizations, religious organizations to provide the assistance under the program, so long as the program is implemented in a manner consistent with the Establishment Clause of the first amendment to the Constitution. Neither the Federal Government nor a State or local government receiving funds under this chapter shall discriminate against an organization that provides assistance under, or applies to provide assistance under, this chapter, on the basis that the organization has a religious character.

(b) Religious character and independence

(1) In general

A religious organization that provides assistance under a program described in subsection (a) of this section shall retain its religious character and control over the definition, development, practice, and expression of its religious beliefs.

(2) Additional safeguards

Neither the Federal Government nor a State or local government shall require a religious organization—

(A) to alter its form of internal governance, except (for purposes of administration of the community services block grant program) as provided in section 9910 of this title; or

(B) to remove religious art, icons, scripture, or other symbols;

in order to be eligible to provide assistance under a program described in subsection (a) of this section.

(3) Employment practices

A religious organization's exemption provided under section 2000e–1 of this title regarding employment practices shall not be affected by its participation in, or receipt of funds

from, programs described in subsection (a) of this section.

(c) Limitations on use of funds for certain purposes

No funds provided directly to a religious organization to provide assistance under any program described in subsection (a) of this section shall be expended for sectarian worship, instruction, or proselytization.

(d) Fiscal accountability

(1) In general

Except as provided in paragraph (2), any religious organization providing assistance under any program described in subsection (a) of this section shall be subject to the same regulations as other nongovernmental organizations to account in accord with generally accepted accounting principles for the use of such funds provided under such program.

(2) Limited audit

Such organization shall segregate government funds provided under such program into a separate account. Only the government funds shall be subject to audit by the government.

(e) Treatment of eligible entities and other intermediate organizations

If an eligible entity or other organization (referred to in this subsection as an “intermediate organization”), acting under a contract, or grant or other agreement, with the Federal Government or a State or local government, is given the authority under the contract or agreement to select nongovernmental organizations to provide assistance under the programs described in subsection (a) of this section, the intermediate organization shall have the same duties under this section as the government.

(Pub. L. 97–35, title VI, §679, as added Pub. L. 105–285, title II, §201, Oct. 27, 1998, 112 Stat. 2749.)

PRIOR PROVISIONS

A prior section 679 of Pub. L. 97–35 was classified to section 9908 of this title, prior to the general amendment of this chapter by Pub. L. 105–285.

§ 9921. Discretionary authority of Secretary

(a) Grants, contracts, arrangements, loans, and guarantees

(1) In general

The Secretary shall, from funds reserved under section 9903(b)(3) of this title, make grants, loans, or guarantees to States and public agencies and private, nonprofit organizations, or enter into contracts or jointly financed cooperative arrangements with States and public agencies and private, nonprofit organizations (and for-profit organizations, to the extent specified in paragraph (2)(E)) for each of the objectives described in paragraphs (2) through (4).

(2) Community economic development

(A) Economic development activities

The Secretary shall make grants described in paragraph (1) on a competitive basis to private, nonprofit organizations that are