

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 beneficiary 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

Pub. L. 101-453, §1, Oct. 24, 1990, 104 Stat. 1058, 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

Pub. L. 101-453, §2, Oct. 24, 1990, 104 Stat. 1058, provided that: "The purpose of this Act [see Short Title of 1990 Amendment note above] is to ensure greater efficiency, effectiveness, and equity in the exchange of funds between the Federal Government and the States."

§ 6502. Information on grants received

On request of a chief executive officer of a State, a State legislature, or an official designated by either of them, an executive agency carrying out a grant program to States and local governments shall provide the requesting officer or legislature with written information on the purpose and amounts of grants provided to the State or local government.

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

HISTORICAL AND REVISION NOTES

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

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

§ 6503. Intergovernmental financing

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

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

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

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

(2) An agreement under this subsection shall—
 (A) specify procedures chosen by the State for carrying out transfers of funds under the agreement;

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

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

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

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

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

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

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

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

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

(2) If interest is paid under this subsection as a result of a State disbursing its own funds be-