

4.9.2 Legislative Mandates Restricting the Uses of Federal Grant Funds

Background: Compliance with ~~2020-2021~~ Consolidated Appropriations Act

The ~~2020-2021~~ Consolidated Appropriations Act (Public Law ~~116-94~~~~116-260~~), signed into law on December ~~20, 2019~~~~27, 2020~~, includes provisions that restrict grantees from using their federal grant funds to support certain defined activities. These limitations are commonly referred to as the “Legislative Mandates.”

Purpose

SCH&DC is committed to high standards and compliance with all applicable laws and regulations.

The purpose of this policy and the associated procedures (P&P) is to provide safeguards to ensure SCH&DC’s compliance with the Legislative Mandates.

The current Legislative Mandates, which remain in effect until a new Appropriations Act is passed, include the following:

- **Division ~~AH~~, Title II**
 1. Salary Limitation (Section 202)
 2. Gun Control (Section 210)

- **Division ~~AH~~, Title V**
 3. Anti-Lobbying (Section 503)
 4. Acknowledgement of Federal Funding (Section 505)
 5. Restriction on Abortions (Section 506)
 6. Exceptions to Restriction on Abortions (Section 507)
 7. Ban on Funding Human Embryo Research (Section 508)
 8. Limitation on Use of Funds for Promotion of Legalization of Controlled Substances (Section 509)
 9. Restriction on Distribution of Sterile Needles (Section ~~529~~~~527~~)
 10. Restriction of Pornography on Computer Networks (Section 520)
 11. Restriction on Funding ACORN (Section 521)

- **Division ~~CE~~, Title VII**
 12. Confidentiality Agreements (Section ~~743~~~~742~~)

A complete description of the Legislative Mandates for Fiscal Year ~~2019-2021~~ is included in HRSA Bulletin (~~2019-02~~~~2021-03E~~) (~~October 25, 2018~~~~February 16, 2021~~) and replaces the prior bulletin (~~2018-04~~~~2020-04E~~).

Policy

Salary Limitation (~~Section 202~~)

- SCH&DC shall not use federal grant funds to pay the salary of an individual at a rate in excess of Executive Level II, which as of January ~~2020-2021~~ is set at ~~\$197,300~~~~\$199,300~~.

Gun Control (~~Section 210~~)

- SCH&DC shall not use federal grant funds to advocate or promote gun control.

Anti-Lobbying (Section 503)

- SCH&DC shall not use federal grant funds, other than for normal and recognized executive legislative relationships for the following:
 - For publicity or propaganda purposes.
 - For the preparation, distribution, or use of any kit, pamphlet, booklet, publication, electronic communication, radio, television, or video presentation designed to support or defeat the enactment of legislation before the Congress or any State or local legislature or legislative body, except in presentation to the Congress or any State or local legislature itself, or designed to support or defeat any proposed or pending regulation, administrative action, or order issued by the executive branch of any State or local government, except in presentation to the executive branch of any State or local government itself.
- SCH&DC shall not use federal grant funds to pay the salary or expenses of any employee or agent of SCH&DC for activities designed to influence the enactment of legislation, appropriations, regulation, administrative action, or Executive order proposed or pending before the Congress or any State government, State legislature or local legislature or legislative body, other than for normal and recognized executive-legislative relationships or participation by an agency or officer of a State, local or tribal government in policymaking and administrative processes within the executive branch of that government.
- The prohibitions in subsections A and B include any activity to advocate or promote any proposed, pending or future Federal, State or local tax increase, or any proposed, pending, or future requirement or restriction on any legal consumer product, including its sale or marketing, including but not limited to the advocacy or promotion of gun control.

Acknowledgement of Federal Funding (Section 505)

- When issuing statements, press releases, requests for proposals, bid solicitations and other documents describing projects or programs funded in whole or in part with federal money, SCH&DC shall clearly state:
 - the percentage of the total costs of the program or project which will be financed with Federal money;
 - the dollar amount of Federal funds for the project or program; and
 - percentage and dollar amount of the total costs of the project or program that will be financed by nongovernmental sources.

Restrictions on Abortions (Section 506) & Exceptions to Restrictions on Abortions (Section 507)

- SCH&DC shall not use federal grant funds for any abortion or for health benefits coverage that includes coverage of abortion.
 - The term "health benefits coverage" means the package of services covered by a managed care provider or organization pursuant to a contract or other arrangement.
- These restrictions, noted above, shall not apply to abortions (or coverage of abortions) that fall within the Hyde amendment exceptions which include:
 - if the pregnancy is the result of an act of rape or incest; or
 - in the case where a woman suffers from a physical disorder, physical injury, or physical illness, including a life-endangering physical condition caused by or arising from the pregnancy itself,

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that would, as certified by a physician, place the woman in danger of death unless an abortion is performed.

Ban on Funding Human Embryo Research ([Section 508](#))

- SCH&DC shall not use federal grant funds for:
 - the creation of human embryos for research purposes; or
 - research in which a human embryo or embryos are destroyed, discarded, or knowingly subjected to risk of injury or death greater than that allowed for research on fetuses in utero under 45 CFR 46.204(b) and section 498(b) of the Public Health Service Act (42 U.S.C. 289g(b)).

Limitations on Use of Grant Funds for Promotion of Legalization of Controlled Substances ([Section 509](#))

- SCH&DC shall not use federal grant funds to promote the legalization of any drug or other substance included in schedule I of the schedules of controlled substances established under section 202 of the Controlled Substances Act.
 - The limitation shall not apply when there is significant medical evidence of a therapeutic advantage to the use of such drug or other substance or that federally sponsored clinical trials are being conducted to determine therapeutic advantage.

Restriction on Distribution of Sterile Needles ([Section 527](#))

- SCH&DC shall not use federal grant funds to distribute sterile needles or syringes for the hypodermic injection of any illegal drug.

Restriction of Pornography on Computer Networks ([Section 520](#))

- SCH&DC shall not use federal grant funds to maintain or establish a computer network unless such network blocks the viewing, downloading, and exchanging of pornography.

Restriction on Funding ACORN ([Section 521](#))

- SCH&DC shall not provide any federal grant funds to the Association of Community Organizations for Reform Now ("ACORN"), or any of its affiliates, subsidiaries, allied organizations, or successors.

Confidentiality Agreements ([Section 742](#)) ~~(is a part of FY2018 Consolidated Appropriations Act of 2018 [Public Law 115-141], signed into law on March 23, 2018, and is part of a Continuing Appropriation that is subject to change following the enactment of future FY19 appropriations.)~~

- SCH&DC shall not require its employees or contractors seeking to report fraud, waste, or abuse to sign internal confidentiality agreements or statements prohibiting or otherwise restricting such employees or contractors from lawfully reporting such waste, fraud, or abuse to a designated investigative or law enforcement representative of a Federal department or agency authorized to receive such information.

Procedure

Review and Updates of this Policy and Procedure:

- The Chief Financial Officer shall review this P&P upon the passage of a new HHS Appropriations Act or issuance of HRSA guidance regarding the Legislative Mandates and shall ensure this P&P is updated as necessary.
- As appropriations are generally enacted annually, this P&P will generally require annual review.

- As with any modification to P&P, specific modifications to this P&P will require review and approval by SCH&DC's Board of Directors.

Legislative Mandates Training:

- The Compliance Officer shall ensure that the CEO, CFO, management team, finance department staff, and any additional staff as deemed appropriate receive training regarding the Legislative Mandates and the procedures set forth in this P&P.

Compliance Manual:

- This Legislative Mandates P&P is required to be incorporated into SCH&DC's Compliance Program.

Financial Management

- The Chief Financial Officer ("CFO") shall ensure that SCH&DC's financial management systems and procedures are structured to ensure that no federal grant funds are used for purposes that are impermissible under this P&P. As necessary, the CFO may establish cost centers/accounts for the accumulation and segregation of such costs.