

**AMENDMENT TO THE AMENDMENT IN THE
NATURE OF A SUBSTITUTE TO H.R. 5129
OFFERED BY MR. WALBERG OF MICHIGAN**

Page 36, line 13, strike lines 13 through 18.

Page 38, after line 23, insert the following:

1 **“SEC. 680A. OPERATIONAL RULE.**

2 “(a) RELIGIOUS ORGANIZATIONS INCLUDED AS NON-
3 GOVERNMENTAL PROVIDERS.—For any program carried
4 out by the Federal Government, or by a State or local
5 government under this subtitle, the government shall con-
6 sider, on the same basis as other nongovernmental organi-
7 zations, religious organizations to provide the assistance
8 under the program, so long as the program is implemented
9 in a manner consistent with the Establishment Clause of
10 the first amendment to the Constitution. Neither the Fed-
11 eral Government nor a State or local government receiving
12 funds under this subtitle shall discriminate against an or-
13 ganization that provides assistance under, or applies to
14 provide assistance under, this subtitle, on the basis that
15 the organization has a religious character.

16 “(b) RELIGIOUS CHARACTER AND INDEPEND-
17 ENCE.—

1 “(1) IN GENERAL.—A religious organization
2 that provides assistance under a program described
3 in subsection (a) shall retain its religious character
4 and control over the definition, development, prac-
5 tice, and expression of its religious beliefs.

6 “(2) ADDITIONAL SAFEGUARDS.—Neither the
7 Federal Government nor a State or local government
8 shall require a religious organization—

9 “(A) to alter its form of internal govern-
10 ance, except (for purposes of administration of
11 the community services block grant program) as
12 provided in section 680(c); or

13 “(B) to remove religious art, icons, scrip-
14 ture, or other symbols; in order to be eligible to
15 provide assistance under a program described in
16 subsection (a).

17 “(3) EMPLOYMENT PRACTICES.—A religious or-
18 ganization’s exemption provided under section 702
19 of the Civil Rights Act of 1964 (42 U.S.C. 2000e–
20 1) regarding employment practices shall not be af-
21 fected by its participation in, or receipt of funds
22 from, programs described in subsection (a).

23 “(c) LIMITATIONS ON USE OF FUNDS FOR CERTAIN
24 PURPOSES.—No funds provided directly to a religious or-
25 ganization to provide assistance under any program de-

1 scribed in subsection (a) shall be expended for sectarian
2 worship, instruction, or proselytization.

3 “(d) FISCAL ACCOUNTABILITY.—

4 “(1) IN GENERAL.—Except as provided in para-
5 graph (2), any religious organization providing as-
6 sistance under any program described in subsection
7 (a) shall be subject to the same regulations as other
8 nongovernmental organizations to account in accord
9 with generally accepted accounting principles for the
10 use of such funds provided under such program.

11 “(2) LIMITED AUDIT.—Such organization shall
12 segregate government funds provided under such
13 program into a separate account. Only the govern-
14 ment funds shall be subject to audit by the govern-
15 ment.

16 “(e) TREATMENT OF ELIGIBLE ENTITIES AND
17 OTHER INTERMEDIATE ORGANIZATIONS.—If an eligible
18 entity or other organization (referred to in this subsection
19 as an ‘intermediate organization’), acting under a con-
20 tract, or grant or other agreement, with the Federal Gov-
21 ernment or a State or local government, is given the au-
22 thority under the contract or agreement to select non-
23 governmental organizations to provide assistance under
24 the programs described in subsection (a), the intermediate

- 1 organization shall have the same duties under this section
- 2 as the government.”.

