Section 1502 of the Public Health Service Act [42 USC 300l]

**42 U.S. Code § 300l - Requirement of matching funds**

**(a) In general**

The [Secretary](https://www.law.cornell.edu/definitions/uscode.php?width=840&height=800&iframe=true&def_id=42-USC-1264422296-1342391138&term_occur=999&term_src=title:42:chapter:6A:subchapter:XIII:section:300l) may not make a grant under [section 300k of this title](https://www.law.cornell.edu/uscode/text/42/300k) unless the State involved agrees, with respect to the costs to be incurred by the State in carrying out the purpose described in such section, to make available non-Federal contributions (in cash or in kind under subsection (b)) toward such costs in an amount equal to not less than $1 for each $3 of Federal funds provided in the grant. Such contributions may be made directly or through donations from public or private entities.

**(b) Determination of amount of non-Federal contribution**

**(1) In general**

Non-Federal contributions required in subsection (a) may be in cash or in kind, fairly evaluated, including equipment or [services](https://www.law.cornell.edu/definitions/uscode.php?width=840&height=800&iframe=true&def_id=42-USC-646160747-1342391136&term_occur=999&term_src=title:42:chapter:6A:subchapter:XIII:section:300l) (and excluding indirect or overhead costs). Amounts provided by the Federal Government, or [services](https://www.law.cornell.edu/definitions/uscode.php?width=840&height=800&iframe=true&def_id=42-USC-646160747-1342391136&term_occur=999&term_src=title:42:chapter:6A:subchapter:XIII:section:300l) assisted or subsidized to any significant extent by the Federal Government, may not be included in determining the amount of such non-Federal contributions.

**(2) Maintenance of effort**

In making a determination of the amount of non-Federal contributions for purposes of subsection (a), the [Secretary](https://www.law.cornell.edu/definitions/uscode.php?width=840&height=800&iframe=true&def_id=42-USC-1264422296-1342391138&term_occur=999&term_src=title:42:chapter:6A:subchapter:XIII:section:300l) may include only non-Federal contributions in excess of the average amount of non-Federal contributions made by the State involved toward the purpose described in [section 300k of this title](https://www.law.cornell.edu/uscode/text/42/300k) for the 2-year period preceding the first fiscal year for which the State is applying to receive a grant under such section.

**(3) Inclusion of relevant non-Federal contributions for medicaid**

In making a determination of the amount of non-Federal contributions for purposes of subsection (a), the [Secretary](https://www.law.cornell.edu/definitions/uscode.php?width=840&height=800&iframe=true&def_id=42-USC-1264422296-1342391138&term_occur=999&term_src=title:42:chapter:6A:subchapter:XIII:section:300l) shall, subject to paragraphs (1) and (2) of this subsection, include any non-Federal amounts expended pursuant to title XIX of the [Social Security Act](https://www.law.cornell.edu/topn/old_age_pension_act) [[42 U.S.C. 1396](https://www.law.cornell.edu/uscode/text/42/1396) et seq.] by the State involved toward the purpose described in paragraphs (1) and (2) of [section 300k(a) of this title](https://www.law.cornell.edu/uscode/text/42/300k#a).

(July 1, 1944, ch. 373, title XV, § 1502, as added [Pub. L. 101–354, § 2](https://www.law.cornell.edu/rio/citation/Pub._L._101-354), Aug. 10, 1990, [104 Stat. 410](https://www.law.cornell.edu/rio/citation/104_Stat._410).)