



## Implementation of 2 CFR § 200.216 – Prohibition on certain telecommunications and video surveillance services or equipment.

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Related Bulletins: HRSA AT 2021-01

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### **Purpose**

The purpose of this grants policy bulletin is to provide HRSA recipients with awareness and guidance for implementing 2 CFR § 200.216 *Prohibition on certain telecommunications and video surveillance services or equipment*.

### **Background**

Section 889 of the [John S. McCain National Defense Authorization Act for Fiscal Year 2019 \(FY 2019 NDAA\), Pub. L. No. 115-232 \(2018\)](#) prohibits the head of an executive agency from obligating or expending loan or grant funds to procure or obtain, extend or renew a contract to procure or obtain, or enter into a contract (or extend or renew a contract) to procure or obtain the equipment, services, or systems of prohibited systems as identified in NDAA 2019, for national security reasons. On August 13, 2020, the Office of Management and Budget (OMB) published a [Federal Register update](#) to the 2 CFR 200 Guidance for Grants and Agreements. Among several updates, the revision to 2 CFR 200 added a new section - 2 CFR § 200.216 *Prohibition on certain telecommunications and video surveillance services or equipment* – to align with section 889 of the FY2019 NDAA.

At the time of publication of this grants policy bulletin, HHS is still developing implementation guidance for HHS awarding agencies regarding the update to federal wide grants guidance at 2 CFR 200, but has directed HHS awarding agencies to update Notices of Awards (NoAs) with the requirements for 2 CFR § 200.216. Currently, there is no equivalent language for 2 CFR § 200.216 in the HHS grant regulations located at [45 CFR 75](#).

### **Implementation**

HRSA recipients and subrecipients should immediately take the following actions:

- Review the requirements at [2 CFR § 200.216](#).
- Develop a compliance plan to implement 2 CFR § 200.216.

- Develop and maintain internal controls to ensure that your organization and any subrecipients or contracts do not expend federal funds (in whole or in part) on covered equipment, services, or systems.
- Determine through reasonable inquiry whether your organization, subrecipients, or contracts currently uses “covered telecommunications” equipment, services, or systems and take necessary actions to comply with the regulation as quickly as is feasibly possible.
- Contact your assigned project officer or grants management specialist if you have any questions with implementing 2 CFR § 200.216, or if you anticipate any possible impact on performance as a result of the new requirement. Recipients are not required to submit compliance plans or updates to their internal controls to HRSA for review and approval.

## **Resources**

- [John S. McCain National Defense Authorization Act for Fiscal Year 2019 \(FY 2019 NDAA\), Pub. L. No. 115-232 \(2018\).](#)
- [OMB Guidance for Grants and Agreements – August 13, 2020 Update to 2 CFR 200.](#)
- [2 CFR § 200.216 Prohibition on certain telecommunications and video surveillance services or equipment.](#)