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## GPRA

*See under* Government Performance and Results Act.

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## Gramm-Rudman-Hollings (GRH)

The popular name of the Balanced Budget and Emergency Deficit Control Act of 1985, so named for the Senate sponsors: Senators Phil Gramm, Warren Rudman, and Ernest F. Hollings. The act, a mechanism for reducing the federal deficit, set declining deficit targets for the federal government and established an automatic enforcement mechanism called sequestration. GRH has been amended several times, most significantly by the Budget Enforcement Act of 1990 (BEA) and the Balanced Budget Act of 1997. (*See also* Budget Enforcement Act; Discretionary; Limitation; Mandatory; Sequestration.)

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## Grant

A federal financial assistance award making payment in cash or in kind for a specified purpose. The federal government is not expected to have substantial involvement with the state or local government or other recipient while the contemplated activity is being performed. The term “grant” is used broadly and may include a grant to nongovernmental recipients as well as one to a state or local government, while the term “grant-in-aid” is commonly used to refer only to a grant to a state or local government. (For a more detailed description, *see* the Federal Grant and Cooperative Agreement Act of 1977, 31 U.S.C. §§ 6301–6308.) The two major forms of federal grants-in-aid are block and categorical.

Block grants are given primarily to general purpose governmental units in accordance with a statutory formula. Such grants can be used for a variety of activities within a broad functional area. Examples of federal block grant programs are the Omnibus Crime Control and Safe Streets Act of 1968, the Housing and Community Development Act of 1974, and the grants to states for social services under title XX of the Social Security Act.

Categorical grants can be used only for specific programs or for narrowly defined activities. They may be formula or project grants. Formula grants allocate federal funds to states or their subdivisions in accordance with a distribution formula prescribed by law or administrative regulation. Project grants provide federal