



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

Compliance with Section 20(B) of the Executive Order 14074, *Advancing Policing and Criminal Justice Practices to Enhance Public Trust and Public Safety*.

On May 25, 2022, President Biden issued Executive Order (EO) 14074, *Advancing Policing and Criminal Justice Practices to Enhance Public Trust and Public Safety*¹. Section 20(b) of the EO required federal agencies that provide financial assistance to law enforcement agencies (LEAs) to conduct a review of their practices for enforcing Title VI of the Civil Rights Act (Title VI), and to submit to the Assistant Attorney General for the Civil Rights Division of the Department of Justice (DOJ) a report of its review.

The Department of the Treasury (Department or Treasury) conducted a review of its implementation and administrative enforcement of Title VI in connection with the federal financial assistance provided by the Treasury and is making the conclusions of that review publicly available.

I. Introduction and Overview of Review

Title VI prohibits recipients of Federal financial assistance (FFA) from discriminating against any person on the basis of race, color, or national origin in the provision of services. Treasury rules under 31 C.F.R. Part 22 implement the provisions of Title VI to the Department's financial assistance programs and activities. The statute and rules are critical tools to ensure the financial assistance provided by the Department is not used to finance illegal discrimination. Title VI and the Treasury's Title VI regulations are designed to provide equal opportunity and access in all programs receiving FFA from Treasury, by ensuring nondiscrimination on the basis of race, color, or national origin (including limited English proficiency).

The effective implementation and enforcement of Title VI is an important priority for Treasury. The Department distributes FFA to thousands of recipients, located in all States and territories. The Department's programs provide FFA for variety of purposes. Treasury currently administers 28 FFA programs. The recipients of Treasury's FFA programs are diverse entities, including but not limited to State, local, and tribal governments.

¹ [Federal Register: Advancing Effective, Accountable Policing and Criminal Justice Practices To Enhance Public Trust and Public Safety](#)

Treasury surveyed its 28 financial assistance programs to determine what programs are providing FFA to LEAs. Within the 28 Treasury programs, there are two programs providing FFA to LEAs, the Treasury Executive Office for Asset Forfeiture (TEOAF)'s Equitable Sharing Program and the Office of Recovery Programs (ORP)'s State and Local Fiscal Recovery Funds (SLFRF) program. The governments that received funds from SLFRF are allowed to use the funds for a variety of purposes, and in some cases, the funds were used for supporting LEAs.

B. Focus Areas of Review

Consistent with Section 20 of the EO, the Department selected the following areas as the focus of its Section 20 review.

1. Administrative enforcement – relating to conducting compliance reviews and complaint investigations.
2. Data collection and reporting – relating to potential improvements to recipients' data collection and reporting obligations to better identify indicators of potentially discriminatory policies and practices and considering how to improve data collection procedures without unduly burdening recipients.
3. Intra-department coordination – relating to measures that could be adopted to enhance coordination among various agency components.
4. Legal rules and regulations – relating to an examination of the rules governing the compliance and enforcement processes and potential regulatory, statutory, and guideline amendments.

C. Summary of Further Work

The Department is committed to ensuring effective implementation and administrative enforcement of Title VI, and its ongoing work and existing procedures reflect the importance of that goal. Consistent with its review under the EO, moreover, the Department has identified several opportunities to enhance its work in this area:

1. Notice of Rights to the Program Beneficiaries – Recognizing that Treasury does not directly interact with SLFRF program beneficiaries, SLFRF can be a source of information for program beneficiaries by publishing a civil rights' notice in the SLFRF program webpages, and specifically notifying the program recipients of the requirement to inform the program beneficiaries of their civil rights.
2. Notice to the Recipients about their Compliance Responsibilities - TEOAF and SLFRF can supplement the notice they already provide to the recipients about their civil rights compliance responsibilities by

distributing a copy of the Treasury Civil Rights Toolkit² to the TEOAF and SLFRF recipients and encouraging them to distribute the Toolkit to their staff and subrecipients, as applicable.

3. Post-Award Compliance Reviews - TEOAF and SLFRF can engage with the Department of Justice and other agencies and consider additional risk-based measures to monitor recipient post-award compliance.
4. Pre-Award Compliance Reviews - TEOAF can engage with the Department of Justice and OCRE and consider additional risk-based measures to monitor recipient pre-award compliance with the requirements in the Title VI regulations.
5. Civil Rights Program Administration and Enforcement (Stakeholder Engagement) - Treasury can publish a request for comments in the Federal Register regarding (1) how the Department can advance the principles of nondiscrimination among its recipients of financial assistance, (2) ways the Department can improve its implementation of Title VI, (3) ways the Department can support its recipients to improve their compliance with Title VI, and, (4) types of data the recipients should collect.
6. Data Collection – For the Equitable Sharing Program, Treasury will specifically cite the civil rights compliance data collection requirement in Treasury’s Title VI regulations at 31 C.F.R. § 22.6(b), including the collection of race and national origin data as applicable, in updates to program policy documents, in addition to the existing notification on its website.
7. EO 14074 Monitoring - OCRE should lead the Department’s further development and implementation of these recommendations by creating a Title VI LEA Enforcement Working Group to continue the work started by this review.

The effective implementation and enforcement of Title VI remains an important priority to Treasury in administering its programs.

² [CIVIL RIGHTS TOOLKIT \(treasury.gov\)](https://www.treasury.gov/civil-rights-toolkit)