

(7) that efforts by the Federal Government to stimulate the economic recovery will be substantially enhanced by a program of emergency Federal Government assistance to State and local governments to help prevent those governments from taking budget-related actions which undermine the Federal Government efforts to stimulate economic recovery.

(Pub. L. 94-369, title II, §201, July 22, 1976, 90 Stat. 1002.)

#### § 6722. Financial assistance

##### (a) Payments to State and local governments

The Secretary of the Treasury (hereafter in this subchapter referred to as the "Secretary") shall, in accordance with the provisions of this subchapter, make payments to States and to local governments to coordinate budget-related actions by such governments with Federal Government efforts to stimulate economic recovery.

##### (b) Authorization of appropriations

Subject to the provisions of subsections (c) and (d) of this section, there are authorized to be appropriated for each of the five succeeding calendar quarters (beginning with the calendar quarter which begins on July 1, 1977) for the purpose of payments under this subchapter—

(1) \$125,000,000, plus

(2) \$30,000,000 multiplied by the number of whole one-tenth percentage points by which the rate of seasonally adjusted national unemployment for the most recent calendar quarter which ended three months before the beginning of such quarter exceeded 6 per centum.

##### (c) Aggregate authorization

In no case shall the aggregate amount authorized to be appropriated under the provisions of subsection (b) of this section for the five successive calendar quarters beginning with the calendar quarter which begins July 1, 1977, exceed \$2,250,000,000.

##### (d) Termination

No amount is authorized to be appropriated under the provisions of subsection (b) of this section for any calendar quarter if—

(1) the average rate of national unemployment during the most recent calendar quarter which ended three months before the beginning of such calendar quarter did not exceed 6 percent, or

(2) the rate of national unemployment for the last month of the most recent calendar quarter which ended three months before the beginning of such calendar quarter did not exceed 6 percent.

(Pub. L. 94-369, title II, §202, July 22, 1976, 90 Stat. 1002; Pub. L. 94-447, title II, §201(1), Oct. 1, 1976, 90 Stat. 1498; Pub. L. 95-30, title VI, §602, May 23, 1977, 91 Stat. 164.)

#### AMENDMENTS

1977—Subsec. (b). Pub. L. 95-30, §602(a), substituted "July 1, 1977" for "July 1, 1976" in introductory provisions preceding par. (1) and in par. (2) substituted "\$30,000,000 multiplied by the number of whole one-tenth" for "\$62,500,000 multiplied by the number of one-half" and "such quarter exceeded 6 per centum" for "such calendar quarter exceeded 6 percent".

Subsec. (c). Pub. L. 95-30, §602(b), substituted "five successive calendar quarters beginning with the calendar quarter which begins July 1, 1977, exceed \$2,250,000,000" for "five calendar quarters beginning with the calendar quarter which begins July 1, 1976, exceed \$1,250,000,000".

1976—Subsec. (d)(1). Pub. L. 94-447 substituted "6 percent, or" for "6 percent, and".

#### § 6723. Allocation of amounts

##### (a) Reservations for eligible States and units of local government

(1) The Secretary shall reserve one-third of the amounts appropriated pursuant to authorization under section 6722 of this title for each calendar quarter for the purpose of making payments to eligible State governments under subsection (b) of this section.

(2) The Secretary shall reserve two-thirds of such amounts for the purpose of making payments to eligible units of local government under subsection (c) of this section.

##### (b) State allocation; percentage; definitions

(1) The Secretary shall allocate from amounts reserved under subsection (a)(1) of this section an amount for the purpose of making payments to each State equal to the total amount reserved under subsection (a)(1) of this section for the calendar quarter multiplied by the applicable State percentage.

(2) For purposes of this subsection, the applicable State percentage is equal to the quotient resulting from the division of the product of—

(A) the State excess unemployment percentage, multiplied by

(B) the State revenue sharing amount by the sum of such products for all the States.

(3) For the purposes of this section—

(A) the term "State" means each State of the United States;

(B) the State excess unemployment percentage is equal to the difference resulting from the subtraction of 4.5 percentage points from the State unemployment rate for that State but shall not be less than zero;

(C) the State unemployment rate is equal to the rate of unemployment in the State during the appropriate calendar quarter, as determined by the Secretary of Labor and reported to the Secretary; and

(D) the State revenue sharing amount is the amount determined under sections 6705-6707(a) of title 31<sup>1</sup> for the most recently completed entitlement period, as defined under section 6701(a)(1) of title 31.

##### (c) Local government allocation; percentage; definitions; special limitation

(1) The Secretary shall allocate from amounts reserved under subsection (a)(2) of this section an amount for the purpose of making payments to each local government, subject to the provisions of paragraph (4), equal to the total amount reserved under such subsection for calendar quarter multiplied by the local government percentage.

(2) For purposes of this subsection, the local government percentage is equal to the quotient resulting from the division of the product of—

<sup>1</sup> See References in Text note below.