

**Editorial Notes**

## REFERENCES IN TEXT

The Civil Rights Act of 1964, referred to in text, is Pub. L. 88-352, July 2, 1964, 78 Stat. 241, as amended. Title VI of the Civil Rights Act of 1964 is classified generally to subchapter V (§2000d et seq.) of chapter 21 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 2000a of this title and Tables.

**§ 6710. Authorization of appropriations**

There is authorized to be appropriated not to exceed \$6,000,000,000 for the period ending December 31, 1978, to carry out this chapter.

(Pub. L. 94-369, title I, §111, July 22, 1976, 90 Stat. 1002; Pub. L. 95-28, title I, §109, May 13, 1977, 91 Stat. 119.)

**Editorial Notes**

## AMENDMENTS

1977—Pub. L. 95-28 substituted “\$6,000,000,000 for the period ending December 31, 1978” for “\$2,000,000,000 for the period ending September 30, 1977”.

**Statutory Notes and Related Subsidiaries**

## IMMEDIATE INITIATION OF CONSTRUCTION ON CERTAIN PROJECTS

Pub. L. 95-28, title I, §111, May 13, 1977, 91 Stat. 120, directed Secretary of Agriculture and Secretary of the Interior to immediately initiate construction of those Federal public works projects which are responsibility of their respective departments, which have been authorized, and which can be commenced within 60 days of May 13, 1977, and completed no later than 180th day after commencement of construction, with no funds authorized by this section used to carry out such works.

## SUBCHAPTER II—ANTIRECESSION PROVISIONS

**§ 6721. Congressional findings of fact and declaration of policy**

The Congress finds—

(1) that State and local governments represent a significant segment of the national economy whose economic health is essential to national economic prosperity;

(2) that present national economic problems have imposed considerable hardships on State and local government budgets;

(3) that those governments, because of their own fiscal difficulties, are being forced to take budget-related actions which tend to undermine Federal Government efforts to stimulate the economy;

(4) that efforts to stimulate the economy through reductions in Federal Government tax obligations are weakened when State and local governments are forced to increase taxes;

(5) that the net effect of Federal Government efforts to reduce unemployment through public service jobs is substantially limited if State and local governments use federally financed public service employees to replace regular employees that they have been forced to lay off;

(6) that efforts to stimulate the construction industry and reduce unemployment are substantially undermined when State and local

governments are forced to cancel or delay the construction of essential capital projects; and

(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), 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) 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) 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.)

**Editorial Notes**

## 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).

(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).

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

(1) The Secretary shall allocate from amounts reserved under subsection (a)(1) an amount for the purpose of making payments to each State equal to the total amount reserved under subsection (a)(1) 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) 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—

(A) the local excess unemployment percentage, multiplied by

(B) the local revenue sharing amount, by the sum of such products for all local governments.

(3) For purposes of this subsection—

(A) the local excess unemployment percentage is equal to the difference resulting from the subtraction of 4.5 percentage points from the local unemployment rate, but shall not be less than zero;

(B) the local unemployment rate is equal to the rate of unemployment in the jurisdiction of the local government during the appropriate calendar quarter, as determined or assigned by the Secretary of Labor and reported to the Secretary (in the case of a local government for which the Secretary of Labor cannot determine a local unemployment rate, he shall assign such local government the local unemployment rate of the smallest unit or subunit of local government for which he has determined a local unemployment rate and within the jurisdiction of which such local government is located, unless—

(i) the Governor of the State in which such local government is located has provided the Secretary of Labor with a local unemployment rate for such local government, and

(ii) the Secretary of Labor finds that such local unemployment rate provided by the Governor has been determined in a manner consistent with the procedures and methodologies used by the Secretary of Labor in determining local unemployment rates,

in which case the Secretary of Labor shall assign such local government the local unemployment rate provided by such Governor);

(C) the local revenue sharing amount is the amount determined under sections 6701(a)(5), (7), (b)-(d), and 6708-6712 of title 31<sup>1</sup> for the most recently completed entitlement period, as defined under section 6701(a)(1) of title 31;<sup>1</sup>

(D) the term “local government” means the government of a county, municipality, township, or other unit of government below the State which—

(i) is a unit of general government (determined on the basis of the same principles as are used by the Bureau of the Census for general statistical purposes), and

(ii) performs substantial governmental functions. Such term includes the District of Columbia and also includes the recognized governing body of an Indian tribe or Alaskan Native village which performs substantial governmental functions. Such term does not include the government of a township area unless such government performs substantial governmental functions.

(4) If the amount which would be allocated to any unit of local government under this subsection is less than \$100, then no amount shall be allocated for such unit of local government under this subsection.

(Pub. L. 94-369, title II, §203, July 22, 1976, 90 Stat. 1003; Pub. L. 94-447, title II, §201(2), (3), Oct. 1, 1976, 90 Stat. 1498; Pub. L. 95-30, title VI, §603(a)-(h), May 23, 1977, 91 Stat. 165, 166.)

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