

108TH CONGRESS
1ST SESSION

S. 201

To amend title 31, United States Code, to provide Federal aid and economic stimulus through a one-time revenue grant to the States and their local governments.

IN THE SENATE OF THE UNITED STATES

JANUARY 22, 2003

Mr. SCHUMER (for himself and Ms. SNOWE) introduced the following bill;
which was read twice and referred to the Committee on Finance

A BILL

To amend title 31, United States Code, to provide Federal aid and economic stimulus through a one-time revenue grant to the States and their local governments.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “State and Local Aid
5 and Economic Stimulus Act of 2003”.

1 **SEC. 2. ONE-TIME REVENUE GRANT TO STATES AND LOCAL**
 2 **GOVERNMENTS.**

3 (a) IN GENERAL.—Chapter 67 of title 31, United
 4 States Code, is amended by adding at the end the fol-
 5 lowing new section:

6 **“§ 6721. One-time revenue grant to States and local**
 7 **governments**

8 “(a) APPROPRIATION.—There is authorized to be ap-
 9 propriated and is appropriated to carry out this section
 10 \$40,000,000,000 for fiscal year 2003.

11 “(b) ALLOTMENTS.—From the amount appropriated
 12 under subsection (a) for fiscal year 2003, the Secretary
 13 of the Treasury shall, as soon as practicable after the date
 14 of the enactment of this Act, allot to each of the States
 15 as follows:

16 “(1) \$20 BILLION BASED ON POPULATION.—

17 “(A) STATE LEVEL.—\$10,000,000,000
 18 shall be allotted among such States on the basis
 19 of the relative population of each such State, as
 20 determined by the Secretary on the basis of the
 21 most recent satisfactory data.

22 “(B) LOCAL GOVERNMENT LEVEL.—
 23 \$10,000,000,000 shall be allotted among such
 24 States as determined under subparagraph (A)
 25 for distribution to the various units of general
 26 local government within such States on the

1 basis of the relative population of each such
2 unit within each such State, as determined by
3 the Secretary on the basis of the most recent
4 satisfactory data.

5 “(2) \$20 BILLION BASED ON CHANGE IN UNEM-
6 PLOYMENT RATE.—

7 “(A) TIER 1.—

8 “(i) STATE LEVEL.—\$2,500,000,000
9 shall be allotted among such States which
10 have experienced a tier 1 unemployment
11 rate on the basis of the relative number of
12 unemployed individuals for calendar year
13 2002 in each such State, as determined by
14 the Secretary on the basis of the most re-
15 cent satisfactory data.

16 “(ii) LOCAL GOVERNMENT LEVEL.—
17 \$2,500,000,000 shall be allotted among
18 such States which have experienced a tier
19 1 unemployment rate as determined under
20 clause (i) for distribution to the various
21 units of general local government within
22 such States on the basis of the relative
23 number of unemployed individuals for cal-
24 endar year 2002 in each such unit within
25 each such State, as determined by the Sec-

retary on the basis of the most recent satisfactory data.

“(B) TIER 2.—

“(i) STATE LEVEL.—\$7,500,000,000 shall be allotted among such States which have experienced a tier 2 unemployment rate on the basis of the relative number of unemployed individuals for calendar year 2002 in each such State, as determined by the Secretary on the basis of the most recent satisfactory data.

“(ii) LOCAL GOVERNMENT LEVEL.—\$7,500,000,000 shall be allotted among such States which have experienced a tier 2 unemployment rate as determined under clause (i) for distribution to the various units of general local government within such States on the basis of the relative number of unemployed individuals for calendar year 2002 in each such unit within each such State, as determined by the Secretary on the basis of the most recent satisfactory data.

“(c) GUIDELINES FOR USE OF FUNDS.—It is the sense of Congress that priority for using the funds allotted

1 under this section should be given to homeland security,
 2 medicaid, public health, highway construction, childcare,
 3 elementary, secondary, and higher education, and the pre-
 4 vention of additional property tax increases.

5 “(d) DEFINITIONS.—For purposes of this section—

6 “(1) STATE.—The term ‘State’ means any of
 7 the several States, the District of Columbia, and the
 8 Commonwealth of Puerto Rico.

9 “(2) UNIT OF GENERAL LOCAL GOVERN-
 10 MENT.—

11 “(A) IN GENERAL.—The term ‘unit of gen-
 12 eral local government’ means—

13 “(i) a county, parish, township, city,
 14 or political subdivision of a county, parish,
 15 township, or city, that is a unit of general
 16 local government as determined by the Sec-
 17 retary of Commerce for general statistical
 18 purposes; and

19 “(ii) the District of Columbia, the
 20 Commonwealth of Puerto Rico, and the
 21 recognized governing body of an Indian
 22 tribe or Alaskan native village that carries
 23 out substantial governmental duties and
 24 powers.

1 “(B) TREATMENT OF SUBSUMED AREAS.—

2 For purposes of determining a unit of general
3 local government under this section, the rules
4 under section 6720(c) of title 31, United States
5 Code, shall apply.

6 “(3) UNEMPLOYMENT.—With respect to any
7 State or unit of general local government—

8 “(A) TIER 1 UNEMPLOYMENT RATE.—The
9 term ‘tier 1 unemployment rate’ means an un-
10 employment rate for calendar year 2002 which
11 was at least .4 but not more than 1.0 percent-
12 age point greater than such rate for calendar
13 year 2000.

14 “(B) TIER 2 UNEMPLOYMENT RATE.—The
15 term ‘tier 2 unemployment rate’ means an un-
16 employment rate for calendar year 2002 which
17 was more than 1.0 percentage point greater
18 than such rate for calendar year 2000.”.

19 (b) CONFORMING AMENDMENT.—The table of sec-
20 tions for chapter 67 of title 31, United States Code, is
21 amended by adding at the end the following new item:

“6721. One-time revenue grant to States and local governments.”.

○