

allotment paid to such State, and any apportionment made by such State to local governments, under this Act;

"(B) make such reports to the Secretary, the Congress, and the Comptroller General in such form and containing such information as the Secretary may reasonably require to carry out his functions under this Act, including the statement of intent and report of sharing funds required by section 4(b), except that any State may make any such reports on behalf of any local government thereof; and

"(C) adhere to all applicable Federal laws in connection with any activity, program, or service provided solely or in part from such allotment or reallocation.

"(2) For purposes of this subsection, the provisions of title VI of the Civil Rights Act of 1964 shall be deemed to be applicable to any activity, program, or service provided solely or in part from any allotment or reallocation received by a State under this Act.

"(b) Whenever in any fiscal year the Secretary, after giving reasonable notice and opportunity for hearing to a State, finds that the Governor of such State has failed to submit any statement of intent or report required by section 4(b) or that such State or any local government thereof is not in substantial compliance with the purposes of subsection (a), the Secretary immediately shall—

"(1) in the case of the failure of compliance of the Governor of any State or the failure of compliance of any State, cancel any subsequent payments to such State under this Act in such fiscal year and reallocate any remainder of such State's allotment or reallocation in such fiscal year to other States in proportion to the original allotments to such States under subsection (b) of section 3 for such fiscal year, or

"(2) in the case of the failure of compliance of any local government of any State require satisfactory assurance that such State will cancel any subsequent payments to such local government under this Act in such fiscal year and reappropriate any remainder of or such local government's apportionment to other local governments of such State in proportion to the original apportionments to such local governments under the State plan reported to the Secretary pursuant to section 4(b) for such fiscal year.

"Sec. 6. The Secretary shall report to the Congress not later than the first day of March of each year on the operation of the revenue-sharing fund during the preceding fiscal year and on its expected operation during the current fiscal year. Each such report shall include a statement of the appropriations to, and the disbursements made from the revenue-sharing fund during the preceding fiscal year; an estimate of the expected appropriation to, and disbursements to be made from, the revenue-sharing fund during the current fiscal year; the use by each State of the funds which it received under this Act during the preceding fiscal year and the amounts distributed by each State to its political subdivisions; and any changes recommended by the Secretary concerning the operation of the revenue-sharing fund.

"Sec. 7. The Appropriations Committee and the Finance Committee of the Senate and the Appropriations Committee and the Ways and Means Committee of the House of Representatives, respectively, shall conduct a full and complete study at least once during each Congress with respect to the operation of the revenue-sharing fund, the activities, programs, projects, and services provided by the States from allotments and reallocations received pursuant to this Act, and the manner of the distribution of funds by each State to its local governments, and report its findings upon such study to each House, respectively, together with its recommendations for such legislation as it deems advisable at the earliest practicable date. This section is enacted by the Congress as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, with full recognition of the constitutional right of either House to change such rules (so far as relating to the procedures in such House) at any time, in the same manner and to the same extent as in the case of any other rule of such House."

The explanatory materials are as follows: