To require the Secretary of the Treasury to establish a State and Local Government Coronavirus Relief Program to make grants to States to make up for lost revenue due to COVID–19 and social distancing steps taken by the State and political subdivisions of the State, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 5, 2020

Mrs. AXNE (for herself and Mr. KING of New York) introduced the following bill; which was referred to the Committee on Oversight and Reform

A BILL

To require the Secretary of the Treasury to establish a State and Local Government Coronavirus Relief Program to make grants to States to make up for lost revenue due to COVID–19 and social distancing steps taken by the State and political subdivisions of the State, and for other purposes.

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 “Coronavirus State and
5 Local Financial Assistance Act”.

116TH CONGRESS
2D Session

H. R. 6705

VerDate Sep 11 2014 04:35 May 14, 2020 Jkt 099200 PO 00000 Frm 00001 Fmt 6652 Sfmt 6201 E:\BILLS\H6705.IH H6705kjohnson on DSK79L0C42PROD with BILLS
SEC. 2. STATE AND LOCAL GOVERNMENT CORONAVIRUS RELIEF PROGRAM.

(a) In general.—The Secretary of the Treasury shall establish a State and Local Government Coronavirus Relief Program under which the Secretary shall make monthly grants to States to make up for lost revenue due to COVID–19 and social distancing steps taken by the State and political subdivisions of the State.

(b) Estimate of lost revenue.—

(1) Administrator.—In order to be eligible to receive a grant under this section, a State shall appoint an administrator who shall—

(A) compile estimates for the revenue lost by the State and each political subdivision of the State because of COVID–19 and social distancing steps taken by the State and political subdivisions of the State; and

(B) submit an estimate to the Secretary not later than the 20th of each month, which shall include—

(i) a break down of how much of the losses were incurred by the State itself and how much was incurred by each political subdivision of the State;

(ii) information for any prior months; and
(iii) any corrections or updates from prior months.

(2) REQUIREMENTS.—In carrying out paragraph (1), the administrator—

(A) shall compile such estimate based off of reductions in realized revenue as compared to the latest official revenue estimates as of February 15, 2020;

(B) may only include losses occurring from March 1, 2020, through December 31, 2020;

(C) may, with respect to sales, fuel, and other excise tax estimates, submit estimates to the Secretary either monthly or quarterly, depending on when such taxes are collected; and

(D) shall, with respect to income and property taxes, submit estimates to the Secretary quarterly, and shall adjust for delays in payment dates.

(c) PAYMENT OF GRANTS.—

(1) TIMING.—The Secretary shall make grant payments to a State under this section not later than 15 days after the date on which the Secretary receives a loss estimate under subsection (b)(1)(B).

(2) PRO RATA DISTRIBUTION.—If, with respect to a month, the Secretary does not have sufficient
funds available under this section to make full grant payments to all States based on the loss estimates submitted to the Secretary, the Secretary shall make pro rata payments to the States based on each State’s share of the aggregate national amount of losses submitted to the Secretary for the applicable month.

(3) TREATMENT OF OVERPAYMENTS.—With respect to a State, an overpayment made by the Secretary in a prior month shall decrease the following month’s payment or, if an overpayment occurs in the final month of the Program, the Secretary may treat such overpayment as a debt of the State to the Federal Government.

(d) DISTRIBUTION TO POLITICAL SUBDIVISIONS.—A State that receives a grant under this section shall distribute a percentage of such grant to each political subdivision of the State in an amount equal to the percentage that such political subdivision’s loss made up of the revenue loss to the State as whole, as reported to the Secretary.

(e) PROGRAM TERMINATION.—The Secretary’s authority to make grants under this section shall terminate on the earlier of—
(1) the date on which funds are no longer available to carry out this section; or


(f) FUNDING.—There is appropriated, out of any amounts in the Treasury not otherwise appropriated, $500,000,000,000 to the Secretary to carry out this section.

(g) DEFINITIONS.—In this section:

(1) SECRETARY.—The term “Secretary” means the Secretary of the Treasury.

(2) STATE.—The term “State” means each of the several States, the District of Columbia, and each territory and possession of the United States.