

116TH CONGRESS  
2D SESSION

# S. 3671

To amend title VI of the Social Security Act to provide additional funding for States, Tribal governments, and local communities due to the Coronavirus Disease 2019 (COVID–19) public health emergency, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

MAY 7, 2020

Mr. REED introduced the following bill; which was read twice and referred to the Committee on Appropriations

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## A BILL

To amend title VI of the Social Security Act to provide additional funding for States, Tribal governments, and local communities due to the Coronavirus Disease 2019 (COVID–19) public health emergency, 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 “State & Local Emer-  
5       gency Stabilization Fund Act of 2020”.

1 **SEC. 2. ADDITIONAL FUNDING FOR CORONAVIRUS RELIEF**  
 2 **FOR STATES, TRIBAL GOVERNMENTS, AND**  
 3 **LOCAL COMMUNITIES.**

4 Title VI of the Social Security Act (42 U.S.C. 801  
 5 et seq.) is amended by adding at the end the following:

6 **“SEC. 602. ADDITIONAL FUNDING FOR CORONAVIRUS RE-**  
 7 **LIEF FOR STATES, TRIBAL GOVERNMENTS,**  
 8 **AND LOCAL COMMUNITIES.**

9 “(a) APPROPRIATION.—

10 “(1) IN GENERAL.—Out of any money in the  
 11 Treasury of the United States not otherwise appro-  
 12 priated, there are appropriated for making payments  
 13 under this section to States, Tribal governments,  
 14 and local communities described in subsection (c)(6),  
 15 \$600,000,000,000 for fiscal year 2020. The amount  
 16 appropriated under this paragraph and paid in ac-  
 17 cordance with this section shall be in addition to the  
 18 amount appropriated under subsection (a) of section  
 19 601 and paid to States, Tribal governments, and  
 20 units of local government under that section.

21 “(2) RESERVATION OF FUNDS.—Of the amount  
 22 appropriated under paragraph (1), the Secretary  
 23 shall reserve—

24 “(A) \$3,000,000,000 of such amount for  
 25 making payments to United States Virgin Is-  
 26 lands, Guam, the Commonwealth of the North-

1           ern Mariana Islands, and American Samoa  
2           under subsection (c)(7);

3               “(B) \$10,000,000,000 of such amount for  
4           making payments to Tribal governments under  
5           subsection (c)(8);

6               “(C) \$59,000,000,000 of such amount for  
7           the portion of the payments made to the 50  
8           States, the District of Columbia, and the Com-  
9           monwealth of Puerto Rico that is determined  
10          under subsection (c)(5); and

11               “(D) \$205,000,000,000 of such amount  
12          for making payments to local communities  
13          under subsection (c)(6).

14          “(b) DEADLINE FOR PAYMENTS.—The Secretary  
15   shall make the payments determined under subsection (c)  
16   not later than 15 days after the date of enactment of this  
17   section.

18          “(c) PAYMENT AMOUNTS.—

19               “(1) IN GENERAL.—Subject to paragraph (2),  
20   the amount paid under this section for fiscal year  
21   2020 to a State that is one of the 50 States, the  
22   District of Columbia, or the Commonwealth of Puer-  
23   to Rico, shall be the sum of—

1           “(A) the relative population proportion  
2           amount determined for the State under para-  
3           graph (3) for such fiscal year; and

4           “(B) the relative coronavirus infection rate  
5           proportion amount determined for the State  
6           under paragraph (5) for such fiscal year.

7           “(2) MINIMUM PAYMENT.—

8           “(A) IN GENERAL.—No State that is one  
9           of the 50 States, the District of Columbia, or  
10          the Commonwealth of Puerto Rico, shall receive  
11          a payment under this section for fiscal year  
12          2020 that is less than \$5,000,000,000.

13          “(B) PRO RATA ADJUSTMENTS.—The Sec-  
14          retary shall adjust on a pro rata basis the  
15          amount of the payments for each of the 50  
16          States, the District of Columbia, and the Com-  
17          monwealth of Puerto Rico, determined under  
18          this subsection without regard to this subpara-  
19          graph to the extent necessary to comply with  
20          the requirements of subparagraph (A).

21          “(3) RELATIVE POPULATION PROPORTION  
22          AMOUNT.—For purposes of paragraph (1)(A), the  
23          relative population proportion amount determined  
24          under this paragraph for a State for fiscal year  
25          2020 is the product of—

1 “(A) the amount appropriated under sub-  
 2 section (a)(1) for fiscal year 2020 that remains  
 3 after the application of the reservations made  
 4 under subsection (a)(2); and

5 “(B) the relative State population propor-  
 6 tion (as defined in paragraph (4)) determined  
 7 for such fiscal year.

8 “(4) RELATIVE STATE POPULATION PROPOR-  
 9 TION DEFINED.—For purposes of paragraph (3)(B),  
 10 the term ‘relative State population proportion’  
 11 means, with respect to each of the 50 States, the  
 12 District of Columbia, and the Commonwealth of  
 13 Puerto Rico, the quotient of—

14 “(A) the population of the State, District  
 15 of Columbia, or Commonwealth of Puerto Rico  
 16 (as applicable); and

17 “(B) the sum of the populations of each of  
 18 the 50 States, the District of Columbia, and the  
 19 Commonwealth of Puerto Rico.

20 “(5) RELATIVE CORONAVIRUS INFECTION RATE  
 21 PROPORTION AMOUNT.—For purposes of paragraph  
 22 (1)(B), the relative coronavirus infection rate pro-  
 23 portion amount determined under this paragraph for  
 24 each of the 50 States, the District of Columbia, and

the Commonwealth of Puerto Rico, for fiscal year 2020 is the product of—

“(A) the amount reserved under subsection (a)(2)(C); and

“(B) the quotient of—

“(i) the coronavirus infection rate determined for the State, District of Columbia, or Commonwealth of Puerto Rico (as applicable); and

“(ii) the sum of the coronavirus infection rates determined for each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

“(6) PAYMENTS TO LOCAL COMMUNITIES.—

“(A) IN GENERAL.—From the amount reserved under subsection (a)(2)(D), the Secretary shall pay—

“(i) 70 percent of the amount so reserved directly to the metropolitan cities and urban counties (as those terms are defined in section 102 of the Housing and Community Development Act of 1974 (42 U.S.C. 5302)) in the State that received allocations under section 106(b) of the Housing and Community Development Act

1 of 1974 (42 U.S.C. 5306(b)) for fiscal year  
2 2019, pursuant to the same formula used  
3 to make such allocations under that section  
4 for such fiscal year; and

5 “(ii) subject to subparagraph (C), 30  
6 percent of the amount so reserved directly  
7 to each of the 50 States, to be distributed  
8 by such States upon receipt on a pass-  
9 through basis, and without requiring any  
10 application, to units of general local gov-  
11 ernment in nonentitlement areas (as such  
12 terms are defined in such section 102) in  
13 such States, in amounts equal to the rel-  
14 ative sum of the populations of such units  
15 of general local government in each such  
16 State as a proportion of the total popu-  
17 lation of all such units of general local gov-  
18 ernment in all of the 50 States.

19 “(B) UNITS OF GENERAL LOCAL GOVERN-  
20 MENT IN NONENTITLEMENT AREAS WITH OVER-  
21 LAPPING POPULATIONS OR CONSOLIDATED GOV-  
22 ERNMENTS.—If two or more units of general  
23 local government in nonentitlement areas have  
24 overlapping populations or have formed a con-  
25 solidated government—

1 “(i) the population of the unit of gen-  
2 eral local government with the largest pop-  
3 ulation among such overlapping popu-  
4 lations or that is part of such consolidated  
5 government shall be the population used  
6 for purposes of determining the amount to  
7 be paid directly to a State under clause (ii)  
8 of subparagraph (A); and

9 “(ii) the chief executive officer of the  
10 State shall distribute the portion of such  
11 payment that is based on such population  
12 among the units of general local govern-  
13 ment with such overlapping populations or  
14 that are part of such consolidated govern-  
15 ment, in amounts equal to the relative pop-  
16 ulations of such units of general local gov-  
17 ernment as a proportion of such payment  
18 portion, unless—

19 “(I) the units of general local  
20 government involved notify such chief  
21 executive officer of their agreement  
22 regarding how such payment portion  
23 is to be distributed among them,  
24 based on the aggregate population of  
25 such units of general local govern-

ment, in which case such chief executive officer shall make distributions in accordance with that agreement; or

“(II) in the case of a consolidated government, the consolidated government notifies such chief executive officer of a determination of the consolidated government regarding how such payment portion is to be distributed among the units of local government represented by the consolidated government, based on the aggregate population of such units of general local government, in which case such chief executive officer shall make distributions in accordance with that determination.

“(C) TREATMENT OF STATES NOT ACTING AS PASS-THROUGH AGENTS UNDER CDBG.—In the case of a State that has not elected to distribute amounts allocated under section 106(d)(1) of the Housing and Community Development Act of 1974 (42 U.S.C. 5306(d)(1)), the Secretary shall act in place of the State for purposes of determining the amount of, and

1 distributing on a pass-through basis, and with-  
 2 out requiring any application, payments to  
 3 units of general local government in nonentitle-  
 4 ment areas in that State under subparagraph  
 5 (A)(ii).

6 “(7) PAYMENTS TO TERRITORIES.—The  
 7 amount paid under this section to the United States  
 8 Virgin Islands, Guam, the Commonwealth of the  
 9 Northern Mariana Islands, or American Samoa,  
 10 shall be the amount equal to the product of—

11 “(A) the amount reserved under subsection  
 12 (a)(2)(A); and

13 “(B) each such territory’s share of the  
 14 combined total population of all such territories,  
 15 as determined by the Secretary.

16 “(8) PAYMENTS TO TRIBAL GOVERNMENTS.—  
 17 The amounts paid under this section to Tribal gov-  
 18 ernments from the amount reserved under sub-  
 19 section (a)(2)(B) shall be determined in the same  
 20 manner as the amounts paid to Tribal governments  
 21 under section 601(c)(7).

22 “(9) DATA.—For purposes of determining—

23 “(A) the population of each of the 50  
 24 States, the District of Columbia, the Common-  
 25 wealth of Puerto Rico, the United States Virgin

1 Islands, Guam, the Commonwealth of the  
2 Northern Mariana Islands, American Samoa,  
3 and units of general local government, the Sec-  
4 retary shall use the most recent year for which  
5 data are available from the Bureau of the Cen-  
6 sus; and

7 “(B) the relative coronavirus infection rate  
8 proportion amounts under paragraph (5), the  
9 Secretary shall use the most recent daily up-  
10 dated data on the number of COVID–19 cases  
11 published on the internet by the Centers for  
12 Disease Control and Prevention.

13 “(d) OTHER PROVISIONS.—

14 “(1) IN GENERAL.—The amounts paid under  
15 this section shall be subject to—

16 “(A) the use of funds and oversight re-  
17 quirements of subsections (d) and (f) of section  
18 601 in the same manner as such requirements  
19 apply to the amounts paid under that section;  
20 and

21 “(B) the definitions of each paragraph of  
22 section 601(g) other than paragraph (2) of that  
23 section.

24 “(2) IG FUNDING AUTHORITY.—Notwith-  
25 standing section 601(f)(3), the Inspector General of

1 the Department of the Treasury may use the  
 2 amount appropriated under that section to carry out  
 3 oversight and recoupment activities under this sec-  
 4 tion in addition to the oversight and recoupment ac-  
 5 tivities carried out under section 601(f).

6 “(3) NONAPPLICATION.—Except as otherwise  
 7 provided in this section, the requirements applicable  
 8 to the amount appropriated for fiscal year 2020  
 9 under section 601(a)(1) (as added by section 5001  
 10 of Public Law 116–136) shall not apply to the  
 11 amount appropriated under subsection (a) of this  
 12 section for such fiscal year.”.

13 **SEC. 3. ADDITIONAL AUTHORITY TO USE PAYMENTS TO**  
 14 **MAKE UP REVENUE SHORTFALLS.**

15 Effective as if included in the enactment of the  
 16 Coronavirus Aid, Relief, and Economic Security Act (Pub-  
 17 lic Law 116–136), subsection (d) of section 601 of the  
 18 Social Security Act, as added by section 5001(a) of the  
 19 Coronavirus Aid, Relief, and Economic Security Act, is  
 20 amended to read as follows:

21 “(d) USE OF FUNDS.—

22 “(1) IN GENERAL.—A State, Tribal govern-  
 23 ment, and unit of local government may use the  
 24 funds provided under a payment made under this  
 25 section for any expenditures during the period that

1 begins on January 1, 2020, and ends on June 30,  
2 2022—

3 “(A) to prevent, prepare for, or respond to  
4 the public health emergency with respect to the  
5 Coronavirus Disease 2019 (COVID–19) or the  
6 declaration by the President under section 401  
7 or 501, respectively, of the Robert T. Stafford  
8 Disaster Relief and Emergency Assistance Act  
9 (42 U.S.C. 5170, 5191) of a major disaster or  
10 emergency with respect to COVID–19; or

11 “(B) to provide services, benefits, or assist-  
12 ance, or support programs, projects, and oper-  
13 ations, accounted for in the budget for the  
14 State, Tribal government, or unit of local gov-  
15 ernment approved for any fiscal year occurring  
16 during the period that begins on January 1,  
17 2020, and ends on June 30, 2022 (without re-  
18 gard to any relation to the Coronavirus Disease  
19 2019 (COVID–19)).

20 “(2) NON-FEDERAL FUNDING.—For the pur-  
21 pose of meeting the non-Federal share requirement  
22 of any Federal grant-in-aid program or other form  
23 of Federal assistance, including assistance provided  
24 under the Robert T. Stafford Disaster Relief and  
25 Emergency Assistance Act (42 U.S.C. 5121 et seq.)

1       and the Medicaid program established under title  
2       XIX, funds provided under a payment made under  
3       this section to a State, Tribal government, or unit  
4       of local government are deemed to be non-Federal  
5       funds.

6               “(3) LIMITATION.—A State, Tribal government,  
7       or unit of local government may not use funds pro-  
8       vided under a payment made under this section to  
9       provide any kind of tax cut, rebate, deduction, cred-  
10      it, or any other tax benefit, or to reduce or eliminate  
11      any fee imposed by the State, Tribal government, or  
12      unit of local government, during the period described  
13      in paragraph (1).”.

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