

116TH CONGRESS  
2D SESSION

# H. R. 6705

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”.

1 **SEC. 2. STATE AND LOCAL GOVERNMENT CORONAVIRUS**  
2 **RELIEF PROGRAM.**

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

9 (b) ESTIMATE OF LOST REVENUE.—

10 (1) ADMINISTRATOR.—In order to be eligible to  
11 receive a grant under this section, a State shall ap-  
12 point an administrator who shall—

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

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

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

25 (ii) information for any prior months;  
26 and

1 (iii) any corrections or updates from  
2 prior months.

3 (2) REQUIREMENTS.—In carrying out para-  
4 graph (1), the administrator—

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

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

11 (C) may, with respect to sales, fuel, and  
12 other excise tax estimates, submit estimates to  
13 the Secretary either monthly or quarterly, de-  
14 pending on when such taxes are collected; and

15 (D) shall, with respect to income and prop-  
16 erty taxes, submit estimates to the Secretary  
17 quarterly, and shall adjust for delays in pay-  
18 ment dates.

19 (c) PAYMENT OF GRANTS.—

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

24 (2) PRO RATA DISTRIBUTION.—If, with respect  
25 to a month, the Secretary does not have sufficient

1 funds available under this section to make full grant  
2 payments to all States based on the loss estimates  
3 submitted to the Secretary, the Secretary shall make  
4 pro rata payments to the States based on each  
5 State's share of the aggregate national amount of  
6 losses submitted to the Secretary for the applicable  
7 month.

8 (3) TREATMENT OF OVERPAYMENTS.—With re-  
9 spect to a State, an overpayment made by the Sec-  
10 retary in a prior month shall decrease the following  
11 month's payment or, if an overpayment occurs in the  
12 final month of the Program, the Secretary may treat  
13 such overpayment as a debt of the State to the Fed-  
14 eral Government.

15 (d) DISTRIBUTION TO POLITICAL SUBDIVISIONS.—A  
16 State that receives a grant under this section shall dis-  
17 tribute a percentage of such grant to each political sub-  
18 division of the State in an amount equal to the percentage  
19 that such political subdivision's loss made up of the rev-  
20 enue loss to the State as whole, as reported to the Sec-  
21 retary.

22 (e) PROGRAM TERMINATION.—The Secretary's au-  
23 thority to make grants under this section shall terminate  
24 on the earlier of—

1           (1) the date on which funds are no longer avail-  
2           able to carry out this section; or

3           (2) December 31, 2020.

4           (f) FUNDING.—There is appropriated, out of any  
5           amounts in the Treasury not otherwise appropriated,  
6           \$500,000,000,000 to the Secretary to carry out this sec-  
7           tion.

8           (g) DEFINITIONS.—In this section:

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

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

○