

117TH CONGRESS
1ST SESSION

S. 252

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.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 4, 2021

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

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 2021”.

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 2021. 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 2021 to a State that is 1 of the 50 States, the Dis-
22 trict of Columbia, or the Commonwealth of Puerto
23 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 1 of
9 the 50 States, the District of Columbia, or the
10 Commonwealth of Puerto Rico, shall receive a
11 payment under this section for fiscal year 2021
12 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 2021 is the product of—

1 “(A) the amount appropriated under sub-
 2 section (a)(1) for fiscal year 2021 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 2021 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

of 1974 (42 U.S.C. 5306(b)) for fiscal year 2020, pursuant to the same formula used to make such allocations under that section for such fiscal year; and

“(ii) subject to subparagraph (C), 30 percent of the amount so reserved directly to each of the 50 States, to be distributed by such States upon receipt on a pass-through basis, and without requiring any application, to units of general local government in nonentitlement areas (as such terms are defined in such section 102) in such States, in amounts equal to the relative sum of the populations of such units of general local government in each such State as a proportion of the total population of all such units of general local government in all of the 50 States.

“(B) UNITS OF GENERAL LOCAL GOVERNMENT IN NONENTITLEMENT AREAS WITH OVERLAPPING POPULATIONS OR CONSOLIDATED GOVERNMENTS.—If 2 or more units of general local government in nonentitlement areas have overlapping populations or have formed a consolidated government—

1 “(i) the aggregate population of the
 2 overlapping units of general local govern-
 3 ment or the aggregate population of such
 4 consolidated government (as applicable)
 5 shall be the population used for purposes
 6 of determining the amount to be paid di-
 7 rectly to a State under clause (ii) of sub-
 8 paragraph (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.—In the case of a State that is 1 of the 50 States and 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 distributing on a pass-through basis, and without requiring any application, payments to units of general local government in nonentitlement areas in that State under subparagraph (A)(ii).

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

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

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

“(8) PAYMENTS TO TRIBAL GOVERNMENTS.—The amounts paid under this section to Tribal governments from the amount reserved under subsection (a)(2)(B) shall be determined in the same manner as the amounts paid to Tribal governments under section 601(c)(7), except that in determining such amounts, the most recent number of enrolled Tribal members or other appropriate measure may be used.

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

1 “(A) the population of each of the 50
2 States, the District of Columbia, the Common-
3 wealth of Puerto Rico, the United States Virgin
4 Islands, Guam, the Commonwealth of the
5 Northern Mariana Islands, American Samoa,
6 and units of general local government, the Sec-
7 retary shall use the most recent year for which
8 data are available from the Bureau of the Cen-
9 sus; and

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

16 “(d) OTHER PROVISIONS.—

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

19 “(A) the use of funds and oversight re-
20 quirements of subsections (d) and (f) of section
21 601 in the same manner as such requirements
22 apply to the amounts paid under that section;
23 and

1 “(B) the definitions of each paragraph of
 2 section 601(g) other than paragraph (2) of that
 3 section.

4 “(2) IG FUNDING AUTHORITY.—Notwith-
 5 standing section 601(f)(3), the Inspector General of
 6 the Department of the Treasury may use the
 7 amount appropriated under that section to carry out
 8 oversight and recoupment activities under this sec-
 9 tion in addition to the oversight and recoupment ac-
 10 tivities carried out under section 601(f).

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

18 **SEC. 3. ADDITIONAL AUTHORITY TO USE PAYMENTS TO**
 19 **MAKE UP REVENUE SHORTFALLS.**

20 (a) IN GENERAL.—Subsection (d) of section 601 of
 21 the Social Security Act (42 U.S.C. 801) is amended to
 22 read as follows:

23 “(d) USE OF FUNDS.—

24 “(1) IN GENERAL.—A State, Tribal govern-
 25 ment, and unit of local government may use the

1 funds provided under a payment made under this
2 section for any expenditures during the period that
3 begins on January 1, 2020, and ends on June 30,
4 2022—

5 “(A) to prevent, prepare for, or respond to
6 the public health emergency with respect to the
7 Coronavirus Disease 2019 (COVID–19) or the
8 declaration by the President under section 401
9 or 501, respectively, of the Robert T. Stafford
10 Disaster Relief and Emergency Assistance Act
11 (42 U.S.C. 5170, 5191) of a major disaster or
12 emergency with respect to COVID–19; or

13 “(B) to provide services, benefits, or assist-
14 ance, or support programs, projects, and oper-
15 ations, accounted for in the budget for the
16 State, Tribal government, or unit of local gov-
17 ernment approved for any fiscal year occurring
18 during the period that begins on January 1,
19 2020, and ends on June 30, 2022 (without re-
20 gard to any relation to the Coronavirus Disease
21 2019 (COVID–19)).

22 “(2) NON-FEDERAL FUNDING.—For the pur-
23 pose of meeting the non-Federal share requirement
24 of any Federal grant-in-aid program or other form
25 of Federal assistance, including assistance provided

1 under the Robert T. Stafford Disaster Relief and
2 Emergency Assistance Act (42 U.S.C. 5121 et seq.)
3 and the Medicaid program established under title
4 XIX, funds provided under a payment made under
5 this section to a State, Tribal government, or unit
6 of local government are deemed to be non-Federal
7 funds.

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

16 (b) EFFECTIVE DATE.—The amendment made to
17 subsection (d) of section 601 of the Social Security Act
18 (42 U.S.C. 801) by subsection (a) shall take effect imme-
19 diately upon the enactment of this Act and shall not be
20 subject to any interpretation, guidance, rulemaking, or
21 any other administrative action that limits, interferes
22 with, delays, or impedes, or has the effect of limiting,
23 interfering with, delaying, or impeding, the flexible spend-
24 ing authorities set forth in subsections (d)(1)(A) and

1 (d)(1)(B) of section 601 of the Social Security Act (42
2 U.S.C. 801), as so amended.

3 **SEC. 4. EMERGENCY DESIGNATION.**

4 (a) IN GENERAL.—The amounts provided under this
5 Act and the amendments made by this Act are designated
6 as an emergency requirement pursuant to section 4(g) of
7 the Statutory Pay-As-You-Go Act of 2010 (2 U.S.C.
8 933(g)).

9 (b) DESIGNATION IN SENATE.—In the Senate, this
10 Act is designated as an emergency requirement pursuant
11 to section 4112(a) of H. Con. Res. 71 (115th Congress),
12 the concurrent resolution on the budget for fiscal year
13 2018.

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