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# 42 U.S. Code § 803

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## Coronavirus local fiscal recovery fund

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### **(a) Appropriation**

In addition to amounts otherwise available, there is appropriated for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$130,200,000,000, to remain available through December 31, 2024 (except as provided in subsection (c)(6)), for making payments under this section to metropolitan cities, nonentitlement units of local government, and counties to mitigate the fiscal effects stemming from the public health emergency with respect to the Coronavirus Disease (COVID-19).

### **(b) Authority to make payments**

#### **(1) Metropolitan cities**

##### **(A) In general**

Of the amount appropriated under subsection (a), the Secretary shall reserve \$45,570,000,000 to make payments to metropolitan cities.

##### **(B) Allocation and payment**

From the amount reserved under subparagraph (A), the Secretary shall allocate and, in accordance with paragraph (7), pay to each metropolitan city an amount determined for the metropolitan city consistent with the formula under section 5306(b) of this title, except that, in applying such formula, the Secretary shall substitute “all metropolitan cities” for “all metropolitan areas” each place it appears.

#### **(2) Nonentitlement units of local government**

##### **(A) In general**

Of the amount appropriated under subsection (a), the Secretary shall reserve \$19,530,000,000 to make payments to States for distribution by the State to nonentitlement units of local government in the State.

##### **(B) Allocation and payment**

From the amount reserved under subparagraph (A), the Secretary shall allocate and, in accordance with paragraph (7), pay to each State an amount which bears the same proportion to such reserved amount as the total population of all areas that are non-metropolitan cities in the State bears to the total population of all areas that are non-metropolitan cities in all such States.

##### **(C) Distribution to nonentitlement units of local government**

###### **(i) In general**

Not later than 30 days after a State receives a payment under subparagraph (B), the State shall distribute to each nonentitlement unit of local government in the State an amount that bears the same proportion to the amount of such payment as the population of the nonentitlement unit of local government bears to the total population of all the nonentitlement units of local government in the State, subject to clause (iii).

## **(ii) Distribution of funds**

### **(I) Extension for distribution**

If an authorized officer of a State required to make distributions under clause (i) certifies in writing to the Secretary before the end of the 30-day distribution period described in such clause that it would constitute an excessive administrative burden for the State to meet the terms of such clause with respect to 1 or more such distributions, the authorized officer may request, and the Secretary shall grant, an extension of such period of not more than 30 days to allow the State to make such distributions in accordance with clause (i).

### **(II) Additional extensions**

#### **(aa) In general**

If a State has been granted an extension to the distribution period under subclause (I) but is unable to make all the distributions required under clause (i) before the end of such period as extended, an authorized officer of the State may request an additional extension of the distribution period of not more than 30 days. The Secretary may grant a request for an additional extension of such period only if

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(AA) the authorized officer making such request provides a written plan to the Secretary specifying, for each distribution for which an additional extension is requested, when the State expects to make such distribution and the actions the State has taken and will take in order to make all such distributions before the end of the distribution period (as extended under subclause (I) and this subclause); and

(BB) the Secretary determines that such plan is reasonably designed to distribute all such funds to nonentitlement units of local government by the end of the distribution period (as so extended).

#### **(bb) Further additional extensions**

If a State granted an additional extension of the distribution period under item (aa) requires any further additional extensions of such period, the request only may be made and granted subject to the requirements specified in item (aa).

## **(iii) Capped amount**

The total amount distributed to a nonentitlement unit of local government under this paragraph may not exceed the amount equal to 75 percent of the most recent budget for the nonentitlement unit of local government as of January 27, 2020.

## **(iv) Return of excess amounts**

Any amounts not distributed to a nonentitlement unit of local government as a result of the application of clause (iii) shall be returned to the Secretary.

## **(D) Penalty for noncompliance**

If, by the end of the 120-day period that begins on the date a State receives a payment from the amount allocated under subparagraph (B) or, if later, the last day of the distribution period for the State (as extended with respect to the State under subparagraph (C)(ii)), such State has failed to make all the distributions from such payment in accordance with the terms of subparagraph (C) (including any extensions of the distribution period granted in accordance with such subparagraph), an amount equal to the amount of such payment that remains undistributed as of such date shall be booked as a debt of such State owed to the Federal Government, shall be paid back from the State's allocation provided under section 802(b)(3)(B)(iii) of this title, and shall be deposited into the general fund of the Treasury.

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