

oversight of the receipt, disbursement, and use of funds made available under this section.

(2) Recoupment

If the Inspector General of the Department of the Treasury determines that a State, Tribal government, or unit of local government has failed to comply with subsection (d), the amount equal to the amount of funds used in violation of such subsection shall be booked as a debt of such entity owed to the Federal Government. Amounts recovered under this subsection shall be deposited into the general fund of the Treasury.

(3) Appropriation

Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated to the Office of the Inspector General of the Department of the Treasury, \$35,000,000 to carry out oversight and recoupment activities under this subsection. Amounts appropriated under the preceding sentence shall remain available until expended.

(4) Authority of Inspector General

Nothing in this subsection shall be construed to diminish the authority of any Inspector General, including such authority as provided in the Inspector General Act of 1978 (5 U.S.C. App.).

(g) Definitions

In this section:

(1) Indian Tribe

The term “Indian Tribe” has the meaning given that term in section 5304(e) of title 25.

(2) Local government

The term “unit of local government” means a county, municipality, town, township, village, parish, borough, or other unit of general government below the State level with a population that exceeds 500,000.

(3) Secretary

The term “Secretary” means the Secretary of the Treasury.

(4) State

The term “State” means the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, the Commonwealth of the Northern Mariana Islands, and American Samoa.

(5) Tribal government

The term “Tribal government” means the recognized governing body of an Indian Tribe. (Aug. 14, 1935, ch. 531, title VI, §601, as added Pub. L. 116–136, div. A, title V, §5001(a), Mar. 27, 2020, 134 Stat. 501; amended Pub. L. 116–260, div. N, title X, §1001, Dec. 27, 2020, 134 Stat. 2145.)

Editorial Notes

REFERENCES IN TEXT

The Inspector General Act of 1978, referred to in subsec. (f)(4), is Pub. L. 95–452, Oct. 12, 1978, 92 Stat. 1101, which is set out in the Appendix to Title 5, Government Organization and Employees.

PRIOR PROVISIONS

A prior section 801, act Aug. 14, 1935, ch. 531, title VI, §601, as added Pub. L. 108–27, title IV, §401(b), May 28,

2003, 117 Stat. 766, related to temporary State fiscal relief, prior to repeal by act Aug. 14, 1935, ch. 531, title VI, §601(g), as added Pub. L. 108–27, title IV, §401(b), May 28, 2003, 117 Stat. 768.

Another prior section 801, act Aug. 14, 1935, ch. 531, title VI, §601, as added Oct. 30, 1972, Pub. L. 92–603, title III, §302, 86 Stat. 1478, authorized appropriations for encouraging States to furnish rehabilitation to needy individuals 65 years of age or older, and the blind or disabled, prior to repeal by Pub. L. 93–647, §§3(b), 7(b), Jan. 4, 1975, 88 Stat. 2349, 2351.

Another prior section 801, acts Aug. 14, 1935, ch. 531, title VI, §601, 49 Stat. 634; Aug. 10, 1939, ch. 666, title V, §509, 53 Stat. 1381, which provided appropriations for the purpose of assisting States and subdivisions in maintaining adequate public health services, was repealed by act July 1, 1944, ch. 373, title XIII, §1313, formerly title VI, §611, 58 Stat. 719. See section 246 of this title.

AMENDMENTS

2020—Subsec. (d)(3). Pub. L. 116–260 substituted “December 31, 2021” for “December 30, 2020”.

Statutory Notes and Related Subsidiaries

RENUMBERING OF REPEALING ACT

Act July 1, 1944, ch. 373, title VI, §611, 58 Stat. 719, which repealed prior sections 801 to 803, was renumbered title VII, §711, by act Aug. 13, 1946, ch. 958, §5, 60 Stat. 1049; renumbered §713 by act Feb. 28, 1948, ch. 83, §9(b), 62 Stat. 47; renumbered title VIII, §813, by act July 30, 1956, ch. 779, §3(b), 70 Stat. 721; renumbered title IX, §913, by Pub. L. 88–581, §4(b), Sept. 4, 1964, 78 Stat. 919; renumbered title X, §1013, by Pub. L. 89–239, §3(b), Oct. 6, 1965, 79 Stat. 931; renumbered title XI, §1113, by Pub. L. 91–572, §6(b), Dec. 24, 1970, 84 Stat. 1506; renumbered title XII, §1213, by Pub. L. 92–294, §3(b), May 16, 1972, 86 Stat. 137; renumbered title XIII, §1313, by Pub. L. 93–154, §2(b)(2), Nov. 16, 1973, 87 Stat. 604, and repealed by Pub. L. 93–222, §7(b), Dec. 29, 1973, 87 Stat. 936.

§ 802. Coronavirus State fiscal recovery fund

(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—

(1) \$219,800,000,000, to remain available through December 31, 2024, for making payments under this section to States, territories, and Tribal governments to mitigate the fiscal effects stemming from the public health emergency with respect to the Coronavirus Disease (COVID–19); and

(2) \$50,000,000, to remain available until expended, for the costs of the Secretary for administration of the funds established under this subchapter.

(b) Authority to make payments

(1) Payments to territories

(A) In general

The Secretary shall reserve \$4,500,000,000 of the amount appropriated under subsection (a)(1) to make payments to the territories.

(B) Allocation

Of the amount reserved under subparagraph (A)—

(i) 50 percent of such amount shall be allocated by the Secretary equally to each territory; and

(ii) 50 percent of such amount shall be allocated by the Secretary as an additional amount to each territory in an amount which bears the same proportion to $\frac{1}{2}$ of the total amount reserved under subparagraph (A) as the population of the territory bears to the total population of all such territories.

(C) Payment

The Secretary shall pay each territory the total of the amounts allocated for the territory under subparagraph (B) in accordance with paragraph (6).

(2) Payments to Tribal governments

(A) In general

The Secretary shall reserve \$20,000,000,000 of the amount appropriated under subsection (a)(1) to make payments to Tribal governments.

(B) Allocation

Of the amount reserved under subparagraph (A)—

(i) \$1,000,000,000 shall be allocated by the Secretary equally among each of the Tribal governments; and

(ii) \$19,000,000,000 shall be allocated by the Secretary to the Tribal governments in a manner determined by the Secretary.

(C) Payment

The Secretary shall pay each Tribal government the total of the amounts allocated for the Tribal government under subparagraph (B) in accordance with paragraph (6).

(3) Payments to each of the 50 States and the District of Columbia

(A) In general

The Secretary shall reserve \$195,300,000,000 of the amount appropriated under subsection (a)(1) to make payments to each of the 50 States and the District of Columbia.

(B) Allocations

Of the amount reserved under subparagraph (A)—

(i) \$25,500,000,000 of such amount shall be allocated by the Secretary equally among each of the 50 States and the District of Columbia;

(ii) an amount equal to \$1,250,000,000 less the amount allocated for the District of Columbia pursuant to section 801(c)(6) of this title shall be allocated by the Secretary as an additional amount to the District of Columbia; and

(iii) an amount equal to the remainder of the amount reserved under subparagraph (A) after the application of clauses (i) and (ii) of this subparagraph shall be allocated by the Secretary as an additional amount to each of the 50 States and the District of Columbia in an amount which bears the same proportion to such remainder as the average estimated number of seasonally-adjusted unemployed individuals (as measured by the Bureau of Labor Statistics Local Area Unemployment Statistics program) in the State or District of Columbia

over the 3-month period ending with December 2020 bears to the average estimated number of seasonally-adjusted unemployed individuals in all of the 50 States and the District of Columbia over the same period.

(C) Payment

(i) In general

Subject to clause (ii), the Secretary shall pay each of the 50 States and the District of Columbia, from the amount reserved under subparagraph (A), the total of the amounts allocated for the State and District of Columbia under subparagraph (B) in accordance with paragraph (6).

(ii) Minimum payment requirement

(I) In general

The sum of—

(aa) the total amounts allocated for 1 of the 50 States or the District of Columbia under subparagraph (B) (as determined without regard to this clause); and

(bb) the amounts allocated under section 803 of this title to the State (for distribution by the State to non-entitlement units of local government in the State) and to metropolitan cities and counties in the State;

shall not be less than the amount allocated to the State or District of Columbia for fiscal year 2020 under section 801 of this title, including any amount paid directly to a unit of local government in the State under such section.

(II) Pro rata adjustment

The Secretary shall adjust on a pro rata basis the amount of the allocations for each of the 50 States and the District of Columbia determined under subparagraph (B)(iii) (without regard to this clause) to the extent necessary to comply with the requirement of subclause (I).

(4) Pro rata adjustment authority

The amounts otherwise determined for allocation and payment under paragraphs (1), (2), and (3) may be adjusted by the Secretary on a pro rata basis to the extent necessary to ensure that all available funds are allocated to States, territories, and Tribal governments in accordance with the requirements specified in each such paragraph (as applicable).

(5) Population data

For purposes of determining allocations for a territory under this section, the population of the territory shall be determined based on the most recent data available from the Bureau of the Census.

(6) Timing

(A) States and territories

(i) In general

To the extent practicable, subject to clause (ii), with respect to each State and territory allocated a payment under this subsection, the Secretary shall make the

payment required for the State or territory not later than 60 days after the date on which the certification required under subsection (d)(1) is provided to the Secretary.

(ii) Authority to split payment

(I) In general

The Secretary shall have the authority to withhold payment of up to 50 percent of the amount allocated to each State and territory (other than payment of the amount allocated under paragraph (3)(B)(ii) to the District of Columbia) for a period of up to 12 months from the date on which the State or territory provides the certification required under subsection (d)(1). The Secretary shall exercise such authority with respect to a State or territory based on the unemployment rate in the State or territory as of such date.

(II) Payment of withheld amount

Before paying to a State or territory the remainder of an amount allocated to the State or territory (subject to subclause (III)) that has been withheld by the Secretary under subclause (I), the Secretary shall require the State or territory to submit a second certification under subsection (d)(1), in addition to such other information as the Secretary may require.

(III) Recovery of amounts subject to recoupment

If a State or territory is required under subsection (e) to repay funds for failing to comply with subsection (c), the Secretary may reduce the amount otherwise payable to the State or territory under subclause (II) by the amount that the State or territory would otherwise be required to repay under such subsection (e).

(B) Tribal governments

To the extent practicable, with respect to each Tribal government for which an amount is allocated under this subsection, the Secretary shall make the payment required for the Tribal government not later than 60 days after March 11, 2021.

(C) Initial payment to District of Columbia

The Secretary shall pay the amount allocated under paragraph (3)(B)(ii) to the District of Columbia not later than 15 days after March 11, 2021.

(c) Requirements

(1) Use of funds

Subject to paragraph (2), and except as provided in paragraph (3), a State, territory, or Tribal government shall only use the funds provided under a payment made under this section, or transferred pursuant to section 803(c)(4) of this title, to cover costs incurred by the State, territory, or Tribal government, by December 31, 2024—

(A) to respond to the public health emergency with respect to the Coronavirus Dis-

ease 2019 (COVID-19) or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality;

(B) to respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers of the State, territory, or Tribal government that are performing such essential work, or by providing grants to eligible employers that have eligible workers who perform essential work;

(C) for the provision of government services to the extent of the reduction in revenue of such State, territory, or Tribal government due to the COVID-19 public health emergency relative to revenues collected in the most recent full fiscal year of the State, territory, or Tribal government prior to the emergency; or

(D) to make necessary investments in water, sewer, or broadband infrastructure.

(2) Further restriction on use of funds

(A) In general

A State or territory shall not use the funds provided under this section or transferred pursuant to section 803(c)(4) of this title to either directly or indirectly offset a reduction in the net tax revenue of such State or territory resulting from a change in law, regulation, or administrative interpretation during the covered period that reduces any tax (by providing for a reduction in a rate, a rebate, a deduction, a credit, or otherwise) or delays the imposition of any tax or tax increase.

(B) Pension funds

No State or territory may use funds made available under this section for deposit into any pension fund.

(3) Transfer authority

A State, territory, or Tribal government receiving a payment from funds made available under this section may transfer funds to a private nonprofit organization (as that term is defined in section 11360(17)¹ of this title), a Tribal organization (as that term is defined in section 5304 of title 25), a public benefit corporation involved in the transportation of passengers or cargo, or a special-purpose unit of State or local government.

(4) Use of funds to satisfy non-federal matching requirements for authorized Bureau of Reclamation water projects

Funds provided under this section for an authorized Bureau of Reclamation project may be used for purposes of satisfying any non-Federal matching requirement required for the project.

(d) Certifications and reports

(1) In general

In order for a State or territory to receive a payment under this section, or a transfer of funds under section 803(c)(4) of this title, the

¹ See References in Text note below.

State or territory shall provide the Secretary with a certification, signed by an authorized officer of such State or territory, that such State or territory requires the payment or transfer to carry out the activities specified in subsection (c) of this section and will use any payment under this section, or transfer of funds under section 803(c)(4) of this title, in compliance with subsection (c) of this section.

(2) Reporting

Any State, territory, or Tribal government receiving a payment under this section shall provide to the Secretary periodic reports providing a detailed accounting of—

(A) the uses of funds by such State, territory, or Tribal government, including, in the case of a State or a territory, all modifications to the State's or territory's tax revenue sources during the covered period; and

(B) such other information as the Secretary may require for the administration of this section.

(e) Recoupment

Any State, territory, or Tribal government that has failed to comply with subsection (c) shall be required to repay to the Secretary an amount equal to the amount of funds used in violation of such subsection, provided that, in the case of a violation of subsection (c)(2)(A), the amount the State or territory shall be required to repay shall be lesser of—

(1) the amount of the applicable reduction to net tax revenue attributable to such violation; and

(2) the amount of funds received by such State or territory pursuant to a payment made under this section or a transfer made under section 803(c)(4) of this title.

(f) Regulations

The Secretary shall have the authority to issue such regulations as may be necessary or appropriate to carry out this section.

(g) Definitions

In this section:

(1) Covered period

The term “covered period” means, with respect to a State, territory, or Tribal government, the period that—

(A) begins on March 3, 2021; and

(B) ends on the last day of the fiscal year of such State, territory, or Tribal government in which all funds received by the State, territory, or Tribal government from a payment made under this section or a transfer made under section 803(c)(4) of this title have been expended or returned to, or recovered by, the Secretary.

(2) Eligible workers

The term “eligible workers” means those workers needed to maintain continuity of operations of essential critical infrastructure sectors and additional sectors as each Governor of a State or territory, or each Tribal government, may designate as critical to protect the health and well-being of the residents of their State, territory, or Tribal government.

(3) Premium pay

The term “premium pay” means an amount of up to \$13 per hour that is paid to an eligible worker, in addition to wages or remuneration the eligible worker otherwise receives, for all work performed by the eligible worker during the COVID-19 public health emergency. Such amount may not exceed \$25,000 with respect to any single eligible worker.

(4) Secretary

The term “Secretary” means the Secretary of the Treasury.

(5) State

The term “State” means each of the 50 States and the District of Columbia.

(6) Territory

The term “territory” means the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, the Commonwealth of the Northern Mariana Islands, and American Samoa.

(7) Tribal Government

The term “Tribal Government” means the recognized governing body of any Indian or Alaska Native tribe, band, nation, pueblo, village, community, component band, or component reservation, individually identified (including parenthetically) in the list published most recently as of March 11, 2021, pursuant to section 5131 of title 25.

(Aug. 14, 1935, ch. 531, title VI, §602, as added Pub. L. 117-2, title IX, §9901(a), Mar. 11, 2021, 135 Stat. 223; amended Pub. L. 117-58, div. D, title IX, §40909(a), Nov. 15, 2021, 135 Stat. 1126.)

Editorial Notes

REFERENCES IN TEXT

Section 11360(17) of this title, referred to in subsec. (c)(3), no longer defines the term “private nonprofit organization”. However, the term is defined elsewhere in that section.

PRIOR PROVISIONS

A prior section 802, act Aug. 14, 1935, ch. 531, title VI, §602, as added Oct. 30, 1972, Pub. L. 92-603, title III, §302, 86 Stat. 1479, which set out the necessary provisions for State plans for services to the aged, blind, or disabled, was repealed by Pub. L. 93-647, §§3(b), 7(b), Jan. 4, 1975, 88 Stat. 2349, 2351.

Another prior section 802, act Aug. 14, 1935, ch. 531, title VI, §602, 49 Stat. 634, which provided for allotments to States by Surgeon General, was repealed by act July 1, 1944, ch. 373, title XIII, §1313, formerly title VI, §611, 58 Stat. 719. See section 246 of this title.

AMENDMENTS

2021—Subsec. (c)(4). Pub. L. 117-58 added par. (4).

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 2021 AMENDMENT

Pub. L. 117-58, div. D, title IX, §40909(c), Nov. 15, 2021, 135 Stat. 1126, provided that: “The amendments made by this section [amending this section and section 803 of this title] shall take effect as if included in the enactment of section 9901 of the American Rescue Plan Act of 2021 (Public Law 117-2; 135 Stat. 223).”

WAGE RATE REQUIREMENTS

For provisions relating to rates of wages to be paid to laborers and mechanics on projects for construction,

alteration, or repair work funded under div. D or an amendment by div. D of Pub. L. 117-58, including authority of Secretary of Labor, see section 18851 of this title.

§ 803. Coronavirus local fiscal recovery fund

(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, for making payments under this section to metropolitan cities, non-entitlement 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 non-entitlement 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—

(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 non-entitlement 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 non-entitlement 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 non-entitlement unit of local government as a result of the application of clause (iii) shall be returned to the Secretary.