

THE HEROES ACT



State and Local Coronavirus Relief Funds

House Democrats' revised version of The Heroes Act creates new State and Local Coronavirus Relief Funds through the Department of Treasury to help first responders, frontline health workers, transit employees, teachers, and other workers providing vital services.

Funds can be used for COVID-related expenses, to replace foregone revenues not projected on January 31, 2020, or to respond to negative economic impacts of COVID. Funds are available until expended, providing flexibility over the next several years. Unless otherwise noted, funds are awarded directly from Treasury within 30 days of enactment.

States and the District of Columbia - \$238 billion based on a state's share of unemployed workers

Local governments - \$179 billion, evenly divided between municipalities and counties.

- \$89.5 billion to municipalities using a modified CDBG formula
 - \$62.65 billion for entitlement municipalities (generally defined as those with populations of at least 50,000)
 - \$26.85 billion for non-entitlement municipalities (generally defined as those with populations of less than 50,000). These funds will be awarded to states, which must make awards to non-entitlement cities based solely on population within 30 days of receipt.
- \$89.5 billion to counties based on population

Territories - \$9.5 billion based on population

Tribes - \$9.5 billion to federally recognized tribal governments

Oversight - \$35 million for the Treasury Office of the Inspector General

Improvements to the CARE Act Coronavirus Relief Fund

- Makes the District of Columbia whole by increasing its award so that it is treated as a state, not a territory
- Clarifies that only federally recognized tribal governments are eligible for payments in CARES
- Expands the use of funds to cover lost, delayed, or decreased revenue stemming from the COVID public health emergency and extends the date of expenditure for CARES funds to December 31, 2021