

NATIONAL ASSOCIATION OF COUNTIES – PRELIMINARY ANALYSIS ONLY

TITLE V – CORONAVIRUS RELIEF FUNDS SEC 601. CORONAVIRUS RELIEF FUND

Authorized Funding Level - “State, Tribal and Local Governments Stabilization Fund”

- **\$150 billion** for states, tribal governments and units of local government for FY2020
- **Of the \$150 billion total, the bill reserves:**
 - \$3 billion for the District of Columbia and American territories
 - \$8 billion for Tribal governments
 - \$139 billion for states (and direct payments to eligible units of local govt. above 500k pop.)
 - No state shall receive less than \$1.25 billion (50 states * \$1.25 billion = \$62.5 billion)
 - State formula is based on each states proportional rate of total U.S. population of states only, *excluding District of Columbia and territories*
 - Any direct payments to eligible units of local government shall be reduced from the state’s total allocation
 - ***Appears*** 45% of state’s allocation can be eligible for direct payments to those units of local government above 500,000 that meet eligibility requirements and use of funds
- **Definition of unit of local government for DIRECT PAYMENTS** – county, municipality, town, township, village, parish, borough or other unit of government below the state level with a population that exceeds 500,000 – **unclear how U.S. Treasury will treat overlapping counties and cities with populations above 500K**
- **Use of funds:**
 - Necessary **expenditures** incurred due to the public health emergency of COVID-19
 - **Budgets costs not accounted for** in most recent adopted budget, **AND**
 - Costs incurred March 1 thru December 30, 2020
- **Chief executive for unit of local government** shall sign a certification of proposed uses of funds
- **U.S. Treasury shall pay** each State, including eligible units of local government above 500,000 population, and Tribal government within 30 days

NOTES FOR FOLLOW UP:

- **NEED CLARITY BUT...** appears direct payments to units of local government above 500,000 population within a state is set at 45% of the state total and based on the proportion of these jurisdictions populations vs the overall state population – ***needs more analysis and confirmation***
- **NEED CLARITY...** how will U.S. Treasury handle allocation of resources to places with **multiple** eligible units of local govt. – especially 26 counties with a city above 500K in population
- **NEED CLARITY BUT...** local govts **under** 500K are eligible as sub-grantees of states, even though bill was silent – ***counties and other local govts need to work with their Governor and/or state***

NACO PRELIMINARY ANALYSIS ONLY

Total	\$150,000,000,000
District of Columbia and Territories	\$ -3,000,000,000
Tribal Governments	\$ -8,000,000,000
Remaining for States and Locals	\$139,000,000,000*
State Minimum @ \$1.25B	\$ 62,500,000,000
Additional for States and Locals	\$ 76,500,000,000**

*** Appears 45% within a state is eligible for DIRECT PAYMENTS to qualifying units of local govt.**

**** Treasury may need to fine tune / clarify the state formula based on state minimum allocation AND remaining balance of funding to states (and sub-allocation of funds for eligible local govts above 500K)**

NACO PRELIMINARY ANALYSIS OF UNITS OF LOCAL GOVERNMENT

IN THE UNITED STATES

There are approximately 156 units of local government with populations above 500,000.* When examining U.S. Census data, it is important to filter the repetitive / duplication of consolidated city-county jurisdictions with unified local government structures as reported by the Census.**

Units of Local Government Above 500,000 Population, estimate

Counties	118
Cities (and Independent Cities)	28
Consolidated City/County	10

Nationwide, an estimated 26 counties with a population of at least 500,000 residents also contain a non-independent city with at least 500,000 residents within the county. This does not include the consolidated city-county governments or independent cities. Maricopa County, Ariz. is the only county in the U.S. with more than one city above 500,000 residents within the county (I.e. Phoenix and Mesa).

** Definition of a Local Government under the Act: The term ‘unit of local government’ means a county, municipality, town, township, village, parish, borough, or other unit of government below the State level with a population that exceeds 500,000*

*** The preliminary NACo analysis only looked at counties, parishes (I.e. counties in Louisiana), boroughs (I.e. county equivalent in Alaska), cities, independent cities (I.e. City of Baltimore, City of St. Louis and independent cities in Virginia), and consolidated city/county governments such as City of Boston/Suffolk Co., City-County of Denver, Duval/Jacksonville, City/County of Honolulu, City of Indianapolis/Marion Co., Louisville/Jefferson Co. Metro Government, Metropolitan Government of Nashville/Davidson Co., NYC, City-County of Philadelphia, and City-County of San Francisco.*

Federal Funds Information for States: Estimate of State Population Ratios of U.S. State Pop. Total

https://www.ncsl.org/Portals/1/Documents/statefed/COVID_Relief_Fund.pdf