

116TH CONGRESS
2D SESSION

S. _____

To amend the CARES Act to provide flexibility in use of funds by States,
Indian Tribes, and municipalities.

IN THE SENATE OF THE UNITED STATES

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

A BILL

To amend the CARES Act to provide flexibility in use of
funds by States, Indian Tribes, and municipalities.

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 “Coronavirus Relief
5 Fund Flexibility for State and Local Government Act”.

6 **SEC. 2. FLEXIBILITY IN USE OF FUNDS BY STATES, INDIAN**
7 **TRIBES, AND MUNICIPALITIES.**

8 (a) IN GENERAL.—The CARES Act (Public Law
9 116–136) is amended by adding after section 23007 the
10 following:

1 “SEC. 23007A (a) Except as provided in subsection
2 (b), notwithstanding any other provision of this Act or an
3 amendment made by this Act, funds made available under
4 this Act, or an amendment made by this Act, to a State
5 or municipality, as those terms are defined in section
6 4002, may be used by the State or municipality for oper-
7 ating expenses not related to the coronavirus disease 2019
8 (COVID-19), to remain available until expended.

9 “(b) No State may use funds made available under
10 this Act or an amendment made by this Act for any State
11 pension fund.”.

12 (b) APPLICABILITY.—The amendment made by sub-
13 section (a) shall apply to funds made available under the
14 CARES Act (Public Law 116–136) on or after the date
15 of enactment of that Act.

16 (c) ELIMINATION OF USE OF FUNDS RESTRICTIONS
17 ON CORONAVIRUS RELIEF FUND PAYMENTS.—Effective
18 as if included in the enactment of the Coronavirus Aid,
19 Relief, and Economic Security Act (Public Law 116–136),
20 section 601 of the Social Security Act, as added by section
21 5001(a) of the Coronavirus Aid, Relief, and Economic Se-
22 curity Act, is amended—

23 (1) by striking subsection (d) and inserting the
24 following:

1 “(d) USE AND AVAILABILITY OF FUNDS.—Funds
2 paid to a State, Tribal government, and unit of local gov-
3 ernment under this section may be used for operating ex-
4 penses not related to the Coronavirus Disease 2019
5 (COVID-19) and shall remain available until expended.”;

6 (2) in subsection (e), by striking “that the local
7 government’s proposed uses of the funds are con-
8 sistent with subsection (d)”;

9 (3) in subsection (f)—

10 (A) by striking paragraph (2);

11 (B) by redesignating paragraphs (3) and
12 (4) as paragraphs (2) and (3), respectively; and

13 (C) in paragraph (2) (as redesignated by
14 subparagraph (B)), by striking “and
15 recoupment”.