



CARES ACT FUNDING FOR STATE AND LOCAL GOVERNMENTS: FLORIDA IMPACT

The Coronavirus Aid, Relief, and Economic Security Act (CARES Act; P.L. 116-136), signed into law on March 27, 2020, created the Coronavirus Relief Fund, which provides \$150 billion in direct assistance for domestic governments.

ELIGIBLE USES OF CARES ACT FUNDING

Section 5001(d) of the CARES Act provides the eligible purposes for which Coronavirus Relief Fund payments may be used. Specifically, it allows state and local governments to make payments for programs that:

1. Are necessary expenditures incurred due to the public health emergency with respect to Coronavirus Disease 2019 (COVID-19).
2. Were not accounted for in the budget most recently approved as of the date of enactment [March 27, 2020] of this section for the State or government.
3. Were incurred during the period that begins on March 1, 2020 and ends on December 30, 2020.

Per Section 5001(f) of the CARES Act, the Inspector General of the Department of the Treasury determines whether Coronavirus Relief Fund payments are used for eligible purposes. The Florida League of Cities requests that municipalities [urge Treasury Secretary Mnuchin to allow maximum flexibility](#) in how CARES Act funding can be used. [View the National League of Cities Letter to Secretary Mnuchin](#)

Additional information on eligible uses of disbursements by governments will be posted on the [U.S. Department of Treasury website](#) as it becomes available.

Coronavirus Relief Fund payments may not be used to directly account for revenue shortfalls related to the COVID-19 outbreak.

STATE OF FLORIDA ALLOCATION

The CARES Act stipulates the \$150 billion provided to the Coronavirus Relief Fund is allocated to governments in states, territories, and tribal areas as follows:

\$139 billion is allocated for governments in the 50 states based on their populations (as measured by the U.S. Census Bureau in 2019), with no state receiving less than \$1.25 billion.

Due to the \$1.25 billion minimum allocation for states, every state with an allocation greater than the minimum amount receives a smaller allocation share (excluding amounts provided to tribal areas) than its share of the population. Most states with a minimum allocation amount, in contrast, have a larger allocation share than their population share.

Florida's Allocation = \$8.328 Billion or 6% of total funds set aside for states although its population is approximately 6.6% of the total U.S. population.

STATE SHARE versus LOCAL GOVERNMENT SHARE

The legislation provides that of each state allocation 55% is reserved for the state and 45% of the allocation is reserved for direct payments to eligible local government jurisdictions (that exceed 500,000 in population). However, if the 45% reserved for eligible local government jurisdictions is not completely distributed, any remaining balance of this sub-allocation reverts to the state, in addition to the original 55% reserved for use at its discretion.

Florida Allocation:	\$8,328,221,072
55% Reserved for State of Florida:	\$4,580,521,590
45% Reserved for Eligible Local Governments:	\$3,747,699,482

FLORIDA LOCAL GOVERNMENTS WITH POPULATION GREATER THAN 500,000

Coronavirus Relief Fund assistance is generally provided to state governments. Local governments serving a population of at least 500,000, as measured in the most recent census data, may elect to receive assistance directly from Treasury. Such direct local assistance allocations reduce the allocation made to the state government (keeping the state allocation constant) and are equal to the product of:

The state or territory allocation amount, the percentage of the state or territory population served by the local government and 45%.

Jurisdiction	2019 Population	% of State	x	State Allocation	=	Product 1	x	45% Factor	=	Jurisdiction Allocation
Miami-Dade County	2,716,940	12.65%		8,328,221,072.10		1,053,522,397		45%		474,085,079
Broward County	1,952,778	9.09%		8,328,221,072.10		757,210,450		45%		340,744,702
Palm Beach County	1,496,770	6.97%		8,328,221,072.10		580,388,495		45%		261,174,823
Hillsborough County	1,471,968	6.85%		8,328,221,072.10		570,771,256		45%		256,847,065
Orange County	1,393,452	6.49%		8,328,221,072.10		540,325,841		45%		243,146,628
Pinellas County	974,996	4.54%		8,328,221,072.10		378,065,074		45%		170,129,283
Duval County	957,755	4.46%		8,328,221,072.10		371,379,693		45%		167,120,862
Lee County	770,577	3.59%		8,328,221,072.10		298,799,432		45%		134,459,744
Polk County	724,777	3.37%		8,328,221,072.10		281,039,994		45%		126,467,997
Brevard County	601,942	2.80%		8,328,221,072.10		233,409,416		45%		105,034,237
Pasco County	553,947	2.58%		8,328,221,072.10		214,798,844		45%		96,659,480
Volusia County	553,284	2.58%		8,328,221,072.10		214,541,759		45%		96,543,791
										2,472,413,692

OTHER FLORIDA LOCAL GOVERNMENTS

The text of the legislation is silent with regard to local government jurisdictions with a population under 500,000. However, it is assumed that these local government jurisdictions would be eligible sub-grantees to their respective State and its use of its share of allocated funds.

It is important to note that the CARES Act is silent as to whether the 12 counties (those with populations that exceed 500,000) that are eligible to receive the direct payment from the CARES Act are required to share that money with the municipalities within those eligible counties. Similarly, the CARES Act does not direct the state to share any of the money it receives with the other 55 counties and 411 cities that were not eligible for direct funding through the CARES Act.