

SEC. 11.90.

(a) It is the intent of the Legislature in enacting this section to provide flexibility for administrative approval of augmentations for the expenditure of \$9,525,564,744 in federal funds allocated from the Coronavirus Relief Fund in the Coronavirus Aid, Relief, and Economic Security (CARES) Act (P.L. 116-136) that address urgent need in support of the state's response to the COVID-19 public health emergency, subject to the requirements of this section. Except as provided in this section, proposals for expenditure of these funds shall be considered in the annual State Budget or other state legislation. Section 28.00 does not apply to the funds described in this section.

(b) The Director of Finance may allocate the federal funds described in subdivision (a) to support activities and expenses that promote public health and safety in response to the COVID-19 public health emergency, including, but not limited to, any of the following:

(1) State and local public safety, including implementation of social distancing guidelines in public facilities.

(2) State and local public health, including testing and contact tracing.

(3) Services for vulnerable populations, including increased caseload.

(4) K-12 learning loss mitigation.

(5) County public health, behavioral health, and health and human services.

(6) Other items permitted pursuant to guidance provided by the United States Treasury Department, including answers to Frequently Asked Questions, as allowable expenditures that support the state's COVID-19 response.

(c) Funds may be allocated to offset or reduce General Fund appropriations in the 2019–20 and 2020–21 fiscal years that were made to support the COVID-19 response between March 1, 2020, and December 30, 2020. If no item for a department currently exists to allow for adjustments for the allocation, then an item may be created for this purpose.

(d) Notwithstanding subdivisions (b) and (c), of the funds described in subdivision (a), the Director of Finance shall allocate \$2,339,065,000 for the following purposes:

(1) (A) \$550,000,000 through the Department of Housing and Community Development to support housing for individuals and families who are experiencing homelessness or who are at risk of homelessness due to the COVID-19 pandemic.

(2) \$500,000,000 directly to cities, to be used toward homelessness, public health, public safety, and other services to combat the COVID-19 pandemic. These funds shall be allocated in the following manner:

(A) \$225,000,000 directly to cities with a population of 300,000 or greater that did not receive a direct allocation from the federal CARES Act (P.L. 116-136). These funds shall be allocated based on the share of each city's population relative to the total population of the cities described in this subparagraph.

(B) \$275,000,000 to cities with a population of less than 300,000. These funds shall be allocated based on the share of each city's population relative to the total population of the cities described in this subparagraph. A city receiving funding pursuant to this subparagraph shall not receive less than \$50,000.

(3) \$1,289,065,000 to counties, to be used toward homelessness, public health, public safety, and other services to combat the COVID-19 pandemic. These funds shall be allocated based on the share of each county's population relative to the total population of the state, taking into account prior direct allocation of funding from the federal CARES Act (P.L. 116-136).

(e) If funds described in subdivision (a) are not spent by September 1, 2020, the Director of Finance may reallocate those funds to any item of appropriation for other allowable activities. Changes to these allocations may be authorized not sooner than 10 days after notification in writing to the Joint Legislative Budget Committee of the changes to the planned expenditures. The Chairperson of the Joint Legislative Budget Committee, or the chairperson's designee, may shorten the 10-day period by written notification to the director.

(f) Funding to local governments pursuant to this section is contingent on the local jurisdiction's adherence to federal guidance and the state's stay-at-home-requirements and other health requirements as directed in gubernatorial Executive Order N-33-20, subsequent executive orders or statutes, and all State Department of Public Health orders, directives, and guidance issued in response to the COVID-19 public health emergency. Local governments shall certify compliance to the Department of Finance. The State Controller shall allocate funding to a local government upon the order of the Director of Finance.

(g) The Director of Finance may authorize the augmentation of the funds available in subdivision (a) for expenditure for any program, project, or function in the schedule of any item of appropriation in this act or any additional program, project, or function equal to the amount of funds the Director of Finance estimates will be received from the federal government between March 1, 2020, and December 30, 2020, provided that the augmentation meets all of the following requirements:

(1) The funds will be expended to address an urgent need in support of the state's response to the COVID-19 public health emergency.

(2) The funds will be expended for a purpose that is consistent with this section and state law.

(3) The funds are made available to the state under conditions permitting the use of the funds only for COVID-19-related response, and the additional expenditure proposed under this section would apply to that specified funding purpose.

(4) Acceptance of the funds does not impose on the state any requirement to commit or expend new state funds for any program or purpose.

(5) The need exists to expend the additional funding before December 30, 2020.

(h) The Director of Finance may reduce any program, project or function in the schedule of any item of appropriation in this act whenever the director determines that funds to be received will be less than the amount taken into consideration in the schedule.

(i) Funds appropriated pursuant to this section shall not be expended prior to 10 days after the Director of Finance notifies the Joint Legislative Budget Committee in writing of the purposes of the planned expenditure and the justification for the amount proposed for expenditure. The Chairperson of the Joint Legislative Budget Committee, or the chairperson's designee, may shorten or waive that 10 day period by written notification to the Director of Finance.