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How Will States and Localities Divide the Fiscal Relief in the Coronavirus Relief Fund?

The new bipartisan economic stimulus legislation — known as the CARES Act — contains significant new resources to help states address massive, immediate budget problems due to COVID-19, though states will almost certainly need more aid in coming months.

The centerpiece of this aid is the $150 billion Coronavirus Relief Fund, which state, tribal, and local governments can use this year to meet costs connected to the virus. Each state will receive at least $1.25 billion, while the most populous states (California and Texas) will receive over $10 billion each, we estimate. (See Table 1 for total state allocations.)

A portion of each state's allocation will go to local governments. Only local governments with populations over 500,000 are eligible for funding. In states with no city or county over 500,000 people, the state government will receive the entire allocation.

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Center On Budget Policy And Priorities

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