H.R. 5735 – State, Local, Tribal, and Territorial Fiscal Recovery, Infrastructure, and Disaster Relief Flexibility Act
Sponsored by: Reps. Dusty Johnson and Carolyn Bourdeaux

Background: This legislation is companion to S. 3011, which passed the Senate on UC on Wednesday, October 20th, 2021. The CARES Act and American Rescue Plan provided state, local, tribal, and territorial governments with direct funding to help bridge the gap between falling revenues and necessary pandemic expenses. For a variety of reasons, many recipients of these funds have been unable to access them or spend them on worthwhile purposes. This bipartisan bill expands the eligible uses of these funds to include infrastructure, disaster relief, housing, community development, and other investments that will have a long-term economic return. It also ensures tribes and territories eligible for assistance are given the time and flexibility to do so.

Legislation:
- Permits eligible government entities to spend the greater of $10 million or 30% of their total fiscal relief funding on infrastructure and other new categories, some of which were created by the Bipartisan Infrastructure Framework;
- Does not increase spending, does not place mandates on state or local governments, and does not score;
- Creates a new pathway for well-off entities to return their relief funding for deficit reduction purposes if they wish to do so;
- Includes language to ensure spending supplements existing funding obligations instead of supplanting them;
- Requires the Treasury and Transportation secretaries to report to Congress on the use of relief funds to ensure accountability;
- Clarifies existing allocations set aside at Treasury for tribal governments and ensures they receive funding delayed by legal barriers over the last year;

New Uses of Fiscal Relief Funding: Projects under the following categories would now be eligible for funding with fiscal relief sent to state and local governments.


Major Endorsers:
National Governor’s Association, National Congress of American Indians, U.S. Conference of Mayors, National League of Cities, American Road & Transportation Builders Association, Association of Metropolitan Planning Organizations, American Association of State Highway and Transportation Officials, American Public Transportation Association, Associated General Contractors of America, National Stone, Sand and Gravel Association, National Association of Regional Councils, National Association of Counties

If you have questions or would like to cosponsor, please contact Hannah.Kagey@mail.house.gov with Rep. Johnson or Matt.Jackson@mail.house.gov with Rep. Bordeaux