



May 8, 2020

CARES Act Federal Reserve Municipal Liquidity Facility

Total Amount of Available Loans: \$500 Billion

Description

- On April 9, 2020, the Federal Reserve announced \$2.3 trillion in financing programs designed to support businesses and governments. Of this amount, up to **\$500 billion will be available to provide lending support to state, city, and county governments** through the newly established Municipal Liquidity Facility (MLF), for which the Coronavirus Aid, Relief, and Economic Security (CARES) Act (P.L. 116-136) appropriated \$35 billion.¹
- This program will **provide financial relief to state and local governments**, which are experiencing higher expenditures and lower revenues due to pandemic.
- Lending support will be available to all fifty states and the District of Columbia, cities with a population greater than 250,000, counties with a population greater than 500,000, and multi-state entities. No more than one issuer is permitted per state, city, county, or multi-state entity – with a maximum issuance of up to 20-percent of that entity’s general revenue for fiscal year 2017 (or fiscal year 2019 for a multi-state entity).
- States can request additional lending past the 20-percent limit to assist government subdivisions and entities that are not eligible for lending. The MLF will cease purchasing notes on December 31, 2020.

¹ Note: The investment of \$35 billion by the Department of the Treasury gives the MLF the ability to purchase up to \$500 billion of eligible notes from said entities; it does not mandate that all \$500 billion be used.

**MUNICIPAL LIQUIDITY FACILITY
LOAN ALLOCATION LIMITS***

State/City/County	Limit** (\$ Millions)		State/City/County	Limit** (\$ Millions)
STATES				
Alabama	3,364.4		Montana	717.7
Alaska	1,015.3		Nebraska	1,374.9
Arizona	4,197.4		Nevada	2,016.8
Arkansas	2,637.1		New Hampshire	872.2
California	39,326.8		New Jersey	9,249.2
Colorado	3,886.1		New Mexico	1,897.8
Connecticut	4,131.2		New York	21,907.9
Delaware	1,206.3		North Carolina	7,291.3
Florida	11,659.9		North Dakota	946.3
Georgia	5,748.3		Ohio	8,895.3
Hawaii	2,132.8		Oklahoma	2,874.7
Idaho	1,178.9		Oregon	4,057.7
Illinois	9,676.7		Pennsylvania	10,932.2
Indiana	4,806.9		Rhode Island	1,043.9
Iowa	3,538.9		South Carolina	3,758.1
Kansas	2,705.0		South Dakota	547.9
Kentucky	3,395.7		Tennessee	3,624.2
Louisiana	2,985.3		Texas	16,703.6
Maine	1,113.7		Utah	2,677.4
Maryland	5,670.0		Vermont	819.9
Massachusetts	7,859.0		Virginia	7,306.9
Michigan	8,534.2		Washington	6,625.1
Minnesota	6,115.0		West Virginia	1,547.7
Mississippi	2,157.8		Wisconsin	5,195.3
Missouri	3,646.6		Wyoming	592.2
District of Columbia	1,836.4			
States Subtotal: \$268,002 Million				
CITY AND COUNTY GOVERNMENTS				
City Governments	42,577.2		County Governments	29,269.8
City and County Governments Subtotal: \$71,847 Million				
TOTAL: \$339,849 Million				

*Source: "FAQs: Municipal Liquidity Facility," *Federal Reserve Bank of New York*, April 27, 2020, <https://www.newyorkfed.org/markets/municipal-liquidity-facility/municipal-liquidity-facility-faq>.

**Limits do not include additional lending amounts that can be requested by states.