



# Federal CARES Act

## Summary

House Finance Committee  
April 15, 2020

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*Legislative Finance Division*

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# CARES Act Provisions

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- The CARES Act is comprehensive. Legislative Finance produced a CARES Act Summary – organized in four categories:
  - ✦ (1) Federal funds a State will receive directly
  - ✦ (2) Federal funds to non-state entities, (tribal, local government entity, or owners of a medical hospital / facility)
  - ✦ (3) Federal funds to Federal agencies for grant programs that may be available to the state or non-state entities
  - ✦ (4) General items of interest

This presentation addresses the categories in reverse order

Cares Act Summary at [www.legfin.akleg.gov](http://www.legfin.akleg.gov) Current Topics

# CARES Act Provisions

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- **General items of interest** (Section 4 Page 16):
  - ✦ Extends Real ID deadline to Sept. 30, 2021.
  - ✦ Provides a direct payment of up to \$1,200 to Alaskans with \$500 for each dependent child under 17 years old.
  - ✦ Small Business Administration (SBA) emergency grants of up to \$10,000 to provide immediate relief for operating costs, can cover six months of payments for businesses with existing SBA loans with rent, mortgage and utility costs forgiveness, and loans for personnel costs can be reimbursed 100% through tax credits to participating businesses. (UA's Small Business Development Center for additional information)
  - ✦ Corporation for Public Broadcasting to make fiscal stabilization grants to public television and radio stations \$75 million.
  - ✦ Requires coverage of COVID-19 testing in health plans.

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- **Federal funds to Federal agencies for grant programs** that may be available to the state or non-state entities (Section 3, Page 10)
  - ✦ \$4.3 billion to support federal, state and local public health agencies
  - ✦ \$1.5 billion for grants or cooperative agreements to carry out surveillance, epidemiology, mitigation, communications and other preparedness and response activities
  - ✦ \$400 million in election security grants in the 2020 federal election cycle.
  - ✦ \$40.7 million for establishing a grant program for geriatric education and training programs
  - ✦ \$5 billion for the Community Development Block Grant (CDBG) program
  - ✦ \$1 billion to states to distribute to eligible local entities (Community Action Agencies or CAAs) to design and implement anti-poverty programs
  - ✦ \$2 billion from U.S. Housing and Urban Development to existing grantees
  - ✦ \$4 billion for Homeless Assistance Grants
  - ✦ \$250 million as grants or cooperative agreements with grantees or sub-grantees of the Hospital Preparedness Program.
  - ✦ \$100 billion for grants to hospitals, public entities, not-for-profit entities and Medicare- and Medicaid-enrolled suppliers and institutional providers. Helps cover unreimbursed health care-related expenses or lost revenue as a result of COVID-19.
  - ✦ \$275 million in cooperative agreements and grants to expand services and capacity for rural hospitals

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- **Federal funds to Federal agencies for grant programs** that may be available to the state or non-state entities (Section 3, Page 10)
  - ✦ Substance Abuse and Mental Health Services Administration (SAMHSA)
    - \$425 million to the for mental health and substance use with certified community behavioral health clinics
    - \$250 million in grants using the Certified Community Behavioral Health Clinic Expansion Grant program
      - \$50 million specifically allocated for suicide prevention
      - \$15 million shall be specifically allocated to tribes, tribal organizations, urban Indian health organizations, or health or behavioral health service providers to tribes.
  - ✦ \$100 million in grants for a pilot program for rural broadband access.
  - ✦ \$25 million to support the Distance Learning and Telemedicine program
  - ✦ \$10 billion in FAA, Airport Improvement Program –
  - ✦ \$100 million in additional funding for Safe Schools and Citizenship Education
  - ✦ \$45 million for grants to states to support the child welfare needs of families during this crisis

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- **Federal funds to Federal agencies for grant programs** that may be available to the state or non-state entities (Section 3, Page 10)
  - ✦ \$10 million available for service coordinators and the continuation of existing congregate service grants for residents of assisted housing projects.
  - ✦ \$955 million to the Administration for Community Living (ACL) services for seniors and disabled individuals as well as their caregivers
  - ✦ \$85 million for independent living centers currently receiving federal grant funding,
  - ✦ \$29 million for each fiscal year through FY 2025 for Telehealth network and telehealth resource centers grant programs.
  - ✦ \$150 million in Grants for Construction of State Extended Care Facilities”,
  - ✦ \$14.4 billion for VA programs, including the Health Care for Homeless Veterans
  - ✦ \$850 million for the Byrne JAG program grants to help enable States, among other eligible entities, to utilize emerging and evidence-based approaches to address the COVID-19 pandemic. The funds will allow state and local police departments and jails to meet local needs.

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- **Federal funds available directly to a non-state entities**, local government entities or owners of a medical hospital or facility (Section 2, Page 8)
  - ✦ \$750 million in additional funding to the Head Start program to continue serving eligible children
  - ✦ \$25 billion for transit systems
  - ✦ \$453 million for the Bureau of Indian Affairs to prepare for and respond to the coronavirus, including for public safety and justice programs, welfare assistance and social services programs, and other tribal government assistance.
  - ✦ Indian Health Service (IHS) \$1.032 billion for public health support, electronic health record modernization, telehealth and other information technology upgrades, \$65 million of the funding will be used for electronic health record stabilization and support and \$450 million will be distributed through IHS directly operated programs
  - ✦ \$100 million for the Food Distribution Program on Indian Reservations program (FDPIR) to prevent, prepare for, and respond to coronavirus.
    - o \$50 million shall be for facility improvements and equipment upgrades.
    - o \$50 million shall be for the costs relating to additional food purchases.All federally recognized Tribes in Alaska are all eligible to administer FDPIR.

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  - ✦ \$8 billion of Coronavirus Relief Fund is aside for tribal governments nation-wide for expenses based on increased COVID-19 related expenditures of each such tribal government (or a tribally-owned entity of such tribal government) relative to aggregate expenditures in fiscal year 2019.



# CARES Act Provisions

- **Federal funds states will receive directly** (Section 1, Page 2)
  - ✦ \$45 billion nation-wide for the Disaster Relief Fund (DRF) for the immediate needs
  - ✦ \$1.4 billion nation-wide for deployments of the National Guard.
  - ✦ Expanded unemployment insurance from three to four months, and provides temporary unemployment compensation of \$600 per week for up to 4 months,
  - ✦ \$500 billion Economic Stabilization lending fund for businesses, cities and states.
  - ✦ \$56 million provided nationwide to maintain existing Essential Air Service (EAS) to rural communities.
  - ✦ \$8.8 billion nationally in additional funds through September 30, 2021 to support federal child nutrition programs.
  - ✦ \$450 million for the Emergency Food Assistance Program (TEFAP) including \$150 million for costs associated with the distribution of commodities.
  - ✦ \$15.5 billion for a Contingency Reserve Fund within SNAP to support waiver authorities included in the Families First Coronavirus Pandemic Response Act (PL 116-127)
  - ✦ \$1 billion for Community Services Block Grant (CSBG), which provides funds to states to distribute to eligible local entities (Community Action Agencies or CAAs) to design and implement anti-poverty programs.
  - ✦ \$900 million supplemental funding for the LIHEAP program to further support low-income, disabled and elderly populations

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- **Federal funds states will receive directly**
  - ✦ \$30.75 billion nation-wide for an Education Stabilization Fund for states, school districts and institutions of higher education
    - \$3 billion is shared by the states for governors to allocate at their discretion for emergency support grants
    - \$13.2 billion available for formula Elementary and Secondary Education grants to states, which will then distribute 90% of funds to LEAs based on their proportional allocation of Elementary and Secondary Education Act Title I-A funds.
    - \$14 billion for emergency relief for Institutions of Higher Education
  - ✦ \$150 billion Coronavirus Relief Fund for state, local and tribal governments to be paid out within 30 days of enactment.
    - Alaska's expects \$1.25 billion
    - Alaska has no municipalities with a population over 500,000, and would likely retain the full \$1.25 billion. The Act allowed for 45% set aside for localities with a population over 500,000.

# Guidance to Date on the Coronavirus Relief Fund

- The CARES Act requires that the payments from the Coronavirus Relief Fund (Sec. 5001) only be used to cover expenses that—
  - ✦ (1) are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID–19);
  - ✦ (2) were not accounted for in the budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act) for the State or government; and
  - ✦ (3) were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020.
- Additional information on eligible uses of Fund disbursements by governments will be posted as it becomes available.

# QUESTIONS?

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