

# **Coronavirus: Q&A related to state, local and tribal governments**

## ***AID TO STATES AND MUNICIPALITIES***

### ***How much money do states and municipalities receive?***

In total, states and municipalities will receive \$150 billion. Reserved within that amount is \$8 billion for Indian Tribes and \$3 billion for DC and U.S. Territories.

### ***What can the allocated funding be used for?***

Necessary expenditures incurred due to the COVID-19 public health emergency or state and local expenditures not accounted for in the most recent approved budget. Only applies to expenditures incurred between March 1 and December 30, 2020.

### ***What is the formula for state, county and city assistance?***

Funds are allocated proportionally based on state population. No state that is one of the 50 states will receive less than \$1.25 billion. Localities with more than 500,000 people can apply directly to Treasury for their relative share by population (compared to the state's total population) of 45 percent of the total allocated to a state.

### ***How can a state, territory, or local government unit apply?***

Treasury will automatically award each state its share within 30 days. Qualifying localities, however, must apply to Treasury to access their share of state funds.

## ***STATE-LOCAL CORONAVIRUS RELIEF FUND***

### ***What can this money be used for?***

The Coronavirus Relief Fund makes available \$150 billion to States, Indian tribes, territories and units of local government for necessary expenditures incurred due to the public health emergency with respect to COVID-19. Eligible expenditures are those made between March 1, 2020, and December 30, 2020, and must not have been accounted for in the most recently approved budget. This funding is available directly to states and localities from Treasury and requires no state or local matching requirement. The Treasury Secretary has pledged to Leader Schumer that the funds will be deployed quickly and flexibly.

### ***How is it distributed to states/localities?***

Of the \$150 billion total, \$3 billion is set aside for the District of Columbia, Puerto Rico and the territories. \$8 billion is set aside for Indian tribes.

Out of the funding available to the 50 states, payments to states are allotted proportionally based on their share of the U.S. population according to the latest annual data from the Bureau of the Census. States are guaranteed a minimum payment of \$1.25 billion.

Out of each state's share of funding, up to 45 percent is set aside for units of local government to apply for directly to the Secretary of the Treasury. Units of local government larger than 500,000 persons can receive this funding, and a locality's share will be equal to its share of the state population multiplied by the 45% set aside for local governments. Any funding remaining once eligible localities have applied is awarded to the State.

***Why cannot smaller localities apply for this funding?***

Treasury explained that because localities can apply directly to the Secretary, it would not be feasible administratively to have all local units of government of any size to directly access this funding. Localities of any size can still work with their State governments to access funding.

***TERRITORIES AND FREELY ASSOCIATED STATES***

***Are the territories eligible for aid in this package?***

Yes, Puerto Rico, U.S. Virgin Islands, Guam, the Northern Mariana Islands, American Samoa are eligible for the new Pandemic Unemployment Assistance program, which benefits individuals who do not qualify for regular unemployment compensation and are unable to work because of the COVID-19 public health emergency. All territories are also eligible for the individual rebates. In addition, nutrition assistance is available through the existing supplemental nutrition assistance program (SNAP) for the U.S. Virgin Islands and Guam and through additional funding made available to Puerto Rico, the Northern Mariana Islands and American Samoa to ensure individuals and families receive the food they need.

***Are the freely associated states eligible for aid in this package?***

Yes, the Republic of Palau, the Federated States of Micronesia and the Republic of the Marshall Islands are eligible for the new Pandemic Unemployment Assistance program, which benefits individuals who do not qualify for regular unemployment compensation and are unable to work because of the COVID-19 public health emergency.

***WORKFORCE***

***I serve on a Workforce Development Board and I am concerned about the ability of our American Job Centers to provide career and employment services remotely. What can be done to assist?***

The CARES Act allows for workforce funds to be shifted to areas of need so that local boards are able to address immediate challenges, such as moving services offered by American Job Centers online.

## ***TRIBES, TRIBAL ORGANIZATIONS, AND TRIBAL ENTERPRISES***

***How can Tribes apply for the Coronavirus Relief fund? Are there limitations?***

Once enacted, the Treasury Secretary will consult with the Interior Secretary and Tribes to develop the specific method for applying for and distributing the \$8 billion reserved for Indian Tribes and Tribal enterprises in the Coronavirus Relief Fund. The CARES Act specifies that the Secretary can only provide funding to cover additional expenditures incurred by Tribes or Tribal enterprises in 2020 compared to expenses incurred in 2019. Tribes should be able to work with the Secretaries of Treasury and the Interior to help determine how this calculation is made.

***How will the \$2+ billion emergency supplemental funding for federal Indian programs be distributed? Will it be competitive?***

Distribution will be conducted on a case-by-case basis for each federal Department. Some Departments may opt to utilize existing funding streams, but Congress's intent is that all Departments engage in direct consultation with Tribes on how to distribute these emergency supplemental funds. Congress will also conduct strong oversight to ensure the distribution process for CARES Act funds will be smoother and more efficient than Tribes and urban Indian health centers reportedly experienced under previous COVID-19 packages.

***My Tribal government closed its businesses due to the virus. What relief is available to recoup employee salaries and other expenses?***

Tribal business concerns are eligible for increased government loan guarantees under the Small Business Act Section 7(a) Paycheck Protection Program, which will provide 100% federal loan guarantees up to \$10 million to cover costs like employee salaries, paid sick leave/medical leave, mortgages/rents, and health insurance premiums.

***Instead of paying traditional unemployment insurance premiums, my Tribe/Tribal business opts to pay a dollar-for-dollar reimbursement to State unemployment programs for any unemployment costs incurred by former Tribal employees. Will my Tribe/Tribal business be eligible for the CARES Act unemployment insurance reimbursements?***

Yes. Through the Emergency Unemployment Relief for Governmental Entities and Nonprofit Organizations provision, the CARES Act reduces the amount Indian Tribes and their Tribally-owned business entities are required to reimburse states for benefits paid to their workers who claim unemployment insurance by 50 percent through December 31, 2020. Tribes and Tribal businesses that incur additional unemployment insurance costs in 2020 are also eligible to make a claim for reimbursement through the Tribal Coronavirus Relief Fund.

***Are all Bureau of Indian Education schools, including Tribally operated 638 contract and 297 grant schools, eligible to receive waivers for federal education law requirements that will be difficult/impossible to comply with due to COVID-19 related school closures (e.g., annual testing and reporting requirements)?***

The CARES Act gives the Department of Education the authority to grant BIE schools and Indian Tribes waivers of certain federal education laws under Elementary and Secondary Education Act (ESEA), the Individuals with Disabilities Act (IDEA), and the Higher Education Act (HEA). To ensure all students' rights are protected while schools have the flexibilities they need under the COVID-19 crisis, Congress authorized these waivers to cover a range of topics (e.g., annual testing, reporting, and annual funding use limitations) but prohibited universal exemptions for all federal education laws. As such, Tribes are encouraged to check Department of Education websites and communications over the coming days for specific lists of federal statutory provisions that are eligible for waivers. To design the application process for waivers under this authority, the Secretary of Education will create a streamlined waiver applications process for this academic year only.

***The IHS health clinics serving my Tribe are dangerously low on personal protective equipment and other medical supplies. Does the CARES Act provide any resources to help us make sure our health workers have the supplies they need?***

Yes. The CARES Act will provide Indian Tribes and the IHS with \$15 million in emergency supplemental funding through the Public Health and Social Service Emergency Fund to purchase personal protective equipment (PPE) and other medical supplies. Additionally, the CARES Act provides the IHS with over \$1 billion in flexible emergency supplemental funding that can be used for procurement of PPE and other medical supplies, including health IT for public health data surveillance. IHS will work with Tribes and urban Indian health centers over the coming days to determine how these funds will be distributed.

***Many of my Tribal Members enrolled in school are being asked to complete class work online, but Internet access is very limited on my reservation and many families can't afford the computer equipment needed for online distance learning. Are there resources to help address this learning gap for Native students?***

The CARES Act includes \$25 million for Distance Learning and Telemedicine (DLT) Program, administered by the Rural Utility Service. Funding goes toward initial capital assets for equipment (e.g., video conferencing equipment, computers) that operate via telecommunications to rural end-users of telemedicine and distance learning. Broadband facilities (if owned by the applicant) are also eligible. Federally recognized tribes are eligible to apply for DLT grants. Approved purposes can be found at 7 CFR part 1734.31, which can be found [here](#).

The CARES Act also includes \$100 million for the Re-connect program (Broadband Loan and Grant Program), which offers loans and grants to build infrastructure and install equipment that provides modern, reliable, high-speed Internet service in rural America. The ReConnect program offers three products: 100% Loans, 50% Loan-50% Grant combinations, and 100% Grants. To be eligible, at least 90% of the households to be served by a project receiving a loan or grant under the pilot program must be in a rural area without sufficient access to fixed broadband at a minimum speed of 10 Mbps/1 Mbps. Wireless and satellite is not eligible. Additional information about the Re-connect program can be found [here](#).

Finally, the CARES Act includes flexible direct support through the Departments of Education and the Interior for BIE-funded schools (i.e., federally-operated, Tribal 638 contract, and Tribal 297 grant) as well as Tribal Colleges and Universities to address needs such as student IT. Specifically, the CARES Act will provide \$69 million to BIE at the Department of Interior to address the needs of Tribal K-12 and higher education schools. Tribes should reach out to the BIE to receive guidance on how these funds will be distributed. Congress also provided \$30.75 billion to establish an Education Stabilization Fund that BIE-funded schools and Tribal Colleges and Universities will qualify for. Tribes should reach out to the Department of Education for guidance on how and when these funds will be distributed.

***Are there any additional health resources for Indian Tribes and urban Indian health clinics outside of the IHS in the CARES Act?***

Yes. In addition to the \$1+ billion in emergency supplemental funding for IHS in the CARES Act, Indian Tribes will receive health-specific resources from HRSA, CDC, SAMHSA, and the Public Health and Social Services Emergency Fund. Specifically, Indian health entities will received:

- \$15 million for telehealth/rural health COVID-19 activities emergency supplemental funding at the HRSA;
- \$15 million in emergency supplemental funding at SAMHSA;
- \$15 million in emergency supplemental funding reserved for Indian health entities under the Public Health and Social Services Emergency Fund; and
- \$120 million in emergency supplemental funding reserved for Indian health entities at the CDC.

***Are urban Indian health centers eligible for any CARES Act resources?***

Yes. Urban Indian health centers are eligible for funding through the \$1+ billion in emergency supplemental funding for IHS in the CARES Act; the \$15 million for telehealth/rural health COVID-19 activities emergency supplemental funding at the HRSA; the \$15 million in emergency supplemental funding at SAMHSA; the \$15 million in in emergency supplemental funding reserved for Indian health entities under the Public Health and Social Services Emergency Fund; and the \$120 million in emergency supplemental funding reserved for Indian health entities at the CDC.

***My Tribe needs to set up COVID-19 response child care coverage to help the families of health care workers, emergency personnel, and other “front line” workers. Will the CARES Act help with this?***

Yes. The CARES Act provides Tribes with two options to address this concern. First, Tribes can opt to receive reimbursement for any of these expenses through the \$8 billion Tribal Coronavirus Relief Fund operated by the Department of Treasury. Second, Tribes that operate child care centers through the Department of Health and Human Services’ Indian Child Care Development Block Grant Program will receive a portion of the emergency supplemental funding appropriated by Congress for this program.